

The Conference Board

Personnel

MANAGEMENT RECORD

FEBRUARY, 1948

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National Industrial Conference Board, Inc.

VOL. X, No. 2

1948 Vacation Trends

WILL company policies in regard to employees' vacations for 1948 be different in any way from those followed in 1947? To provide Associates of THE CONFERENCE BOARD with a concise report on significant changes in this phase of company personnel policy, a survey¹ covering 307 companies has just been completed.

One hundred seventy-eight of these companies, or 58%, indicate that there will be no changes made in their vacation practices for the current year. But 103 companies, or 33.6%, indicate that they have already established 1948 vacation policies which on one or more aspects will differ from those followed last year. The remaining twenty-six companies (fewer than 10% of the total) have not definitely decided on their new vacation policies. Most of the latter report that their final policies will depend upon the outcome of union contract negotiations.

ADDED TIME FOR LONG SERVICE

The two most important areas in which a trend for 1948 seems evident are in the further liberalization of vacation allowances for long-service employees, and the grant of extra time or extra compensation to employees who have a vacation period in which a normally paid holiday occurs. (See Table 1.)

Liberalization of the paid vacation period for long-service employees continues a trend which was also reported as being the most significant in THE CONFERENCE BOARD's studies of 1946 and 1947. This year, twenty-four more companies plan to reward their hourly rated employees who have five or more years of continued service. The companies reporting this change indicate varied anniversary dates for the init-

¹Companies cooperating in this year's study were asked only to point out the areas in which they have made vacation policy changes since 1947. The 1946 report (*Studies in Personnel Policy*, No. 75, "Vacation and Holiday Practices") covers in detail the many aspects of company vacation policy. The findings of this study were brought up to date for 1947 in *The Management Record*, for April, 1947.

ial granting of the extra vacation week. These differing policies are summarized in Table 2.

Twenty-five companies report that in 1948 their employees in salaried positions (exclusive of executive personnel) with more than five years of service will also be enjoying additional vacation time. Table 3 gives details of these new plans.

REDUCED ELIGIBILITY RULES

Examination of the last three surveys indicates that the majority of companies are following the formula of granting wage earners a one-week paid vacation after one year of service, and a two-week vacation after five years of service. In the present survey there is increasing evidence that these two key service dates are being altered.

For example, two companies report that they are changing their 1947 vacation plans so that hourly paid employees with only three years of service are to get a two-week vacation; three companies that wage earners will now get a two-week vacation for two years of service; two companies that wage earners will get a two-week vacation for one year of service. In addition, one company indicates that employees with more than one year of service but less than five will now receive an additional day of vacation for each year worked after the first. Two companies re-

Table 1: Box Score of Vacation Changes

| Areas of Change | No. | % |
|------------------------------------|-----|-------|
| Companies reporting changes..... | 103 | 100.0 |
| Added time for long service..... | 44 | 42.7 |
| Holiday in vacation period..... | 29 | 28.2 |
| Vacation pay on leaving..... | 17 | 16.5 |
| Pay computation..... | 14 | 13.6 |
| Reduced eligibility rules..... | 11 | 10.7 |
| Longer vacation season..... | 10 | 9.7 |
| Shift to "shut-down" vacation..... | 8 | 8.7 |

Table 2: Maximum-paid Vacations in the 24 Companies Reporting Liberalized Vacations for Wage Earners

| Service Requirement | Number Companies | | | |
|---------------------|-----------------------------|----------------|-------|-------|
| | New Paid Vacation Allowance | | Total | % |
| | 3 Weeks | 4 Weeks | | |
| 5 years..... | 1 ^a | ..... | 1 | 4.2 |
| 10 years..... | 1 | 1 ^a | 2 | 8.3 |
| 15 years..... | 5 | ..... | 5 | 20.8 |
| 20 years..... | 5 | ..... | 5 | 20.8 |
| 25 years..... | 8 | 3 | 11 | 45.9 |
| Total..... | 20 ^b | 4 | 24 | 100.0 |
| Per Cent..... | 83.3 | 16.7 | .. | ..... |

^aOne company: two weeks in summer, additional weeks in winter.
^bIn addition to these 20: one company reported only that it gave three weeks vacation to "older" employees.

port that employees with less than one year of service will receive a specified number of paid vacation days for three, six, and nine months of service.

This year's survey also indicates a continued liberalization of vacation eligibility requirements for employees in salaried positions. Several companies report that salaried employees with one year of service will now get a two-week vacation. Two other companies report that a system of prorating days of vacation for the number of months worked will be inaugurated for the first time in 1948. Three companies have stated that the year of service required to qualify for a two-week vacation will now be computed from June 1 of the vacation year, rather than January 1.

LONGER VACATION SEASON

The 1946 and 1947 studies conducted by THE CONFERENCE BOARD revealed that an increasing number of companies were extending the vacation season for their salaried and hourly paid employees. This was a departure from prewar policies when vacations were scheduled in large measure during the summer months. In 1948, the practice of increasing the number of months during the year when vacations may be taken is continuing. Ten companies report that the vacation season for hourly paid employees will be extended in 1948, with four of them indicating that the vacation period now runs from January 1 to December 31. Seven companies report that the vacation season for their salaried employees has been lengthened. For four of these companies, vacations may now be taken the year round.

SHUT-DOWN VACATIONS

Continued attention will be paid in 1948 to the possibility of shutting down plant operations for a given period in order that the vacations of both salaried and hourly paid employees may be disposed of at one time. Many companies regard the shut-down type of vacation as a possible alternative to extending the

vacation season in order to accommodate the growing vacation privileges of their employees.

Eight companies, or almost half of those who reported that they plan to change in some way their vacation season policies for 1948, have indicated that they will shut down their operations for a vacation period during this summer. Only a skeleton force will remain on duty and the vacations of these individuals will be arranged at the company's convenience at other times during the year. Three of the companies planning to shut down this summer for two weeks have also indicated that employees who are eligible for three weeks of vacation will be entitled to the third week any time during the calendar year but preferably not on the week preceding or following the shutdown.

On the other hand, two companies report that they are departing from the shut-down type of vacation followed in 1947. Instead of closing down for two

Table 3: Maximum-paid Vacations in the 25 Companies Reporting Liberalized Vacations for Salaried Workers

| Service Requirement | Number Companies | | | |
|---------------------|-----------------------------|---------|-------|-------|
| | New Paid Vacation Allowance | | Total | % |
| | 3 Weeks | 4 Weeks | | |
| 5 years..... | 1 | ..... | 1 | 4.0 |
| 10 years..... | 1 | ..... | 1 | 4.0 |
| 15 years..... | 10 | ..... | 10 | 40.0 |
| 20 years..... | 5 | ..... | 5 | 20.0 |
| 25 years..... | 6 | 2 | 8 | 32.0 |
| Total..... | 23 | 2 | 25 | 100.0 |
| Per Cent..... | 92.0 | 8.0 | | |

weeks, one company indicates that it is shortening the period to one week in order to maintain production. The other company reports that instead of a shut-down period, it will set up two fixed two-week vacation periods in the summer of 1948. "The intent of this change," the company says, "is to prevent complete interruption of production. All production departments will operate continuously with 50% of personnel on vacation at one time. Nonproductive departments that can close down completely in either period may do so."

COMPUTING VACATION PAY

No significant changes in the manner of computing vacation pay for 1948 are contemplated by the cooperating companies. Although fourteen companies have indicated that some minor changes will be made in the computation of wage earners' vacation allowance, the basic methods of payment noted in the 1946 study are still effective. This study showed that 43% of the companies computed weekly vacation pay at the rate of forty hours (or forty-eight hours, depending upon the scheduled work week) times the base rate. In-

centive earnings of wage earners during the computation period were added to the base rate by 12.3% additional companies, night differentials by 11.4%, and overtime by 4.2%. Twelve per cent of the companies paid on the basis of percentage of annual earnings.

In view of some reduction in their production schedules for 1948, two companies have indicated that vacation pay will now be based on a 37.5-hour work week and a 44-hour work week, instead of forty hours and forty-five hours, respectively.

Several companies which have computed vacation allowances on the basis of a percentage of annual earnings have announced that in 1948 they will increase the amounts paid. One company now plans to pay 3% of an employee's annual earnings for a one-week vacation period instead of 2%. Another company plans to pay 5% of annual earnings instead of 4% during a two-week vacation period.

A fairly typical union contract clause covering pay computation for 1948 vacations is as follows:

"The base period for calculating vacation pay shall be the ten weeks' period ending three weeks immediately preceding the commencement of each employee's vacation. Vacation pay shall be computed on the basis of each employee's hourly earnings without overtime premium but including night-shift bonus. The hourly earnings for piecework employees shall be the average for the base period; the rate for day-work employees shall be the rate in effect at the end of the base period. Said earnings or rates shall be multiplied by the average hours worked weekly during said base period in order to determine vacation pay but no week shall be calculated at less than forty nor more than forty-eight hours."—(*Agreement between an electrical parts manufacturer and a CIO local.*)

Table 4: Changes in Compensation for Holidays Falling in Vacation in 29 Companies

| Change Reported | Hourly Workers | | Salaried Employees | |
|---|----------------|-------|--------------------|-------|
| | No. Cos. | % | No. Cos. | % |
| Extra compensation now given... | 21 | 91.3 | 17 | 89.5 |
| Extra compensation no longer given..... | 2 | 8.7 | 2 | 10.5 |
| Total..... | 23 | 100.0 | 19 | 100.0 |
| Methods of granting extra compensation. | | | | |
| Extra pay only..... | 7 | 33.3 | 1 | 5.9 |
| Extra day with pay..... | 11 | 52.4 | 14 | 82.3 |
| Either extra day or extra pay.. | 3 | 14.3 | 2 | 11.8 |
| Total..... | 21 | 100.0 | 17 | 100.0 |

Two companies which indicate that they are changing their method of computing allowances are planning to use the pay factor rather than the time factor in rewarding long-service employees. In one case, the company formerly gave one week's vacation at forty hours' pay to an employee with one year's tenure. It also gave a two weeks' vacation at eighty hours' pay to an employee who had worked five years or

longer. In 1948, this company plans to grant employees with from three-to-five years of service one week's vacation at sixty hours' pay.

The second company has developed a graduated seniority vacation pay schedule for its factory employees. The increase is as follows:

| Employment | Added Pay in Hours |
|-----------------------|--------------------|
| 5 to 10 years..... | 10 |
| 10 to 15 years..... | 15 |
| 15 to 20 years..... | 20 |
| 20 to 25 years..... | 30 |
| 25 years or over..... | 40 |

The maximum vacation period is two weeks.

VACATION PAY ON LEAVING

The trend toward liberalizing vacation allowances to employees terminating their employment prior to the vacation season seems to be continuing. Seventeen companies report that they will follow this practice for the first time with wage earners, and six companies report similarly for their salaried employees.

A number of companies, however, stipulate the kinds of termination under which accrued vacation allowances will be paid. Five of the seventeen companies report that payment is made for cases of ill health, reduction of forces, old age, or voluntary resignation, but not discharge cases. Four of these seventeen indicate that they will pay accrued vacation allowances to employees who are discharged.

Several companies report that they have reduced from one year to six months, the employment eligibility period needed by an individual to qualify for an accrued vacation allowance in the event of termination.

Employees who walk off the job or who leave on just a few days' notice are a cause of considerable inconvenience to management. In an effort to forestall the occurrence of such incidents, some companies have adopted the plan of making a worker who terminates his employment ineligible for his accrued vacation allowance unless he files a two-week notice of resignation. This year, five more companies are planning to incorporate such a qualification into their vacation practices for the first time.

HOLIDAY IN VACATION PERIOD

Twenty-one companies report that in 1948 they will grant wage earners either an extra day off, or extra pay in lieu of the extra day, for a recognized holiday which occurs during the employee's vacation. Similar action is being taken by seventeen companies with respect to their salaried employees. These steps are similar to those taken by a number of companies in 1946 and 1947. A breakdown of the different methods by which the problem is being handled is given in Table 4.

An agreement between a metal parts manufactur-

ing company and an AFL local is somewhat typical:

"If during the vacation period a holiday falls on a scheduled work day, an additional day shall be granted or an additional day's pay given in lieu of such additional day at the discretion of the company."

EFFECT OF ABSENCES

Seven companies report that they are changing or clarifying their former methods of relating sick leaves, leaves of absence, and layoff time to the determination of an employee's eligibility for a vacation. These changes seem to reflect the desire of some companies to define their vacation eligibility requirements more sharply now that more liberalized vacation periods are being granted their employees. The following comments represent company feeling on this matter:

"The time consumed by leaves of absence for other than sick leave or union business will now be considered as vacation time taken."

* * *

"The qualifying time requirements have been changed from 1,000 hours worked during the qualifying period to 1,100 hours worked during the qualifying period, with holidays and vacations counted as time worked."

* * *

"The computation of vacation allowances will be on the basis of 'active service' only."

EXECUTIVE VACATION PLANS

Most of the companies do not set up formal vacation plans containing special provisions for execu-

tives. Unless the matter is handled on a nonformalized, individual basis, it is general for the policy stated for salaried personnel to apply all the way up the line. Only four companies report that they are liberalizing their vacation allowances for top officers. One company reports that in 1948 its top executives will receive three weeks' vacations. In two others, the vacation period will now be one month. The fourth company reports that executive staff members with fifteen years of service will now receive one additional week of vacation.

OTHER CHANGES

Two companies report that for the first time they have agreed, in the event of the death of an employee, to pay for any unused vacation earned—the payment to be made to his executor, administrator or other legal heirs.

Two companies have indicated that this year they will permit their employees to receive pay in lieu of actual vacation time.

In the 1946 survey on vacation policies, a majority of companies reported that they did not allow employees to accumulate unused vacations, permitted vacation allowances to be split, and gave the employee his vacation pay at the start of the vacation. Since no changes in these matters were reported for 1948 or 1947, it is likely that the basic figures in the 1946 report are relevant for today.

JOHN J. SPEED

Division of Personnel Administration

Personnel Briefs

The Art of Conference

Twelve supervisors from the Keystone and Western divisions and the Pittsburgh operating department of the West Penn Company have completed a course in conference leadership offered by the University of Pittsburgh. These supervisors now will meet with other groups of company supervisors to discuss problems of general interest and to improve management skills. The groups, limited to fifteen or twenty members, will meet monthly.

A Measure of Club Success

At the last management group meeting held by the Boston Edison Company it was announced that the organization would no longer meet as a single group. With a membership of more than 400, the group would be subdivided and separate meetings be held.

At this meeting, President James V. Toner out-

lined the qualifications regarded as important in selecting personnel for promotion. F. M. Ives, vice president and general manager for the company, reviewed an important case which had been decided in Edison's favor.

To Study Industrial Health

The Long Island College of Medicine will conduct its fifth postgraduate course in industrial medicine from April 5 to April 16, 1948. The course provides an opportunity for physicians in industry, and other personnel concerned with the well-being of employees, to become acquainted with recent developments in the fields of industrial medicine and health.

Inquiries concerning the course may be addressed to Dr. Thomas D. Dublin, Department of Preventive Medicine and Community Health, 248 Baltic Street, Brooklyn 2, New York.

Monthly Survey of Personnel Problems:

Why Workers Stay Home

QUESTION: *Based on your recent experience, what are the most important causes of absence among employees in your company? Does experience reveal any methods for controlling absenteeism that are particularly effective? Have you experimented with any controls that have had little or no effect in reducing absenteeism? Will you please show (a) the formula you use in computing your absenteeism rate; (b) absenteeism rate for 1939 (factory, office, and total figure); (c) absenteeism rate for 1943 (factory, office, and total figure); and (d) absenteeism rate for the last six months (factory, office and total figure).*

PERSONAL sickness causes most of the absences in 95% of the cooperating companies. In 3%, "long hours for extended periods" is the most frequent cause, and in the remaining 2% the primary reason is lack of interest in the job.

The next most important reasons for absenteeism in more than 60% of the companies are illness and death in the employee's family and personal matters such as weddings, dentist and business appointments and miscellaneous home obligations.

There are a wide variety of other situations which, although widespread, appear to be only minor factors in the absentee rates of most of the companies. Frequently mentioned by the cooperators are the following:

- Transportation difficulties
- Jury duty
- Leaves of absence
- Unexcused absences
- Injuries
- Weather conditions
- Housing conditions
- Oversleeping
- Lack of control under liberal sickness plans
- "Overindulgence"
- Night shift

Representative replies as to causes of absence follow.

"Sickness is the predominate reason for absenteeism among employees. More than half were due to personal sickness and an additional 14% were because of illness

in the employee's family. These figures are largely based upon the employee's own explanation and in some instances I suspect the cause was other than the one given. Even so, it still appears certain that sickness is the major cause for absenteeism."

* * *

"Personal illness or injury is the major cause of absences, accounting roughly for more than two thirds of them. Illness or death in the family probably accounts for an additional 10%. Unauthorized absences, transportation difficulties and personal business are other minor causes."

* * *

"Absence is not a big problem (3.21% from July to December, 1947). Sickness is the main cause, with excused absences, primarily for personal reasons, in second place. Approved leaves of absence for all reasons come in third place, with unexcused absences, jury duty and absences, jury duty and absences owing to industrial injury very low on the list."

* * *

"Deliberate staying away from the job does not appear to be an important cause of absence."

* * *

"Absenteeism grew rapidly with the beginning of a new sick-leave policy which permitted an employee a certain number of days of paid sick leave. We are anxious to find some means of analyzing and dealing with this situation."

* * *

"Even during the war we had no serious problem of employee absenteeism. In part, this may be owing to the fact that in our industry the employee, having a specific job to do, comes to feel an individual responsibility which may be lacking in manufacturing operations where a large number of people are performing the same job on a repetitive basis. Our experience is particularly interesting because we have a very generous sickness benefit program. There have been relatively few attempts to take advantage of the payment of sick benefits through simulated illnesses."

* * *

"Our last six months' absentee figure of 2% breaks down about as follows: sickness, 60%; unexcused absences, 25%; excused absences, 15%. (Excused absences are given for urgent personal business, jury duty, sickness in family, breakdown in transportation, etc.)"

* * *

"The three most important causes of absence are: (a)

sickness (approximately 50%); (b) illness at home; (c) refusal of overtime work. We do have a large number of absences of undetermined cause."

MOST EFFECTIVE CONTROLS

Although the incidence of sickness on the rate of absenteeism is heavy, half of the replies make no reference to efforts to bring about improvement in the health of employees and their families. Many companies' medical programs are limited in scope. The degree of effectiveness of even the most highly organized industrial medical and health service on absenteeism, however, is difficult to measure.

Among the 50% whose health improvement activities have succeeded in reducing absenteeism, the value of the visiting nurse is stressed most frequently. The experience of most is that the visiting nurse has two functions. One is to offer whatever assistance she is qualified and equipped to give the patient. The other is to represent the company in a "social way" in order to indicate the company's interest in the individual. Two of the cooperators also believe that "investigation" is a highly important function of visiting nurses. But the great majority assert that "checking-up" by visiting nurses has no part in their programs or, at most, plays a very minor role.

A recent survey of personnel practices by THE CONFERENCE BOARD¹ reveals that 75% of 450 companies investigate factory and office workers' absences. Among these, the great majority begin the investigation no later than three days after the absence starts. But nurses are used for this purpose in fewer than 15% of these companies.

Several replies in the current survey stress the overall contributions to the attendance problem made by "well-run, well-organized medical departments." Among the activities mentioned most frequently are educational programs in health and accident prevention, preplacement and postemployment physical examination, interviews by the company physician following illnesses, and "cold shots" and influenza injections.

Responsibility of the Supervisor

The most successful way to reduce absenteeism, according to nearly 50% of the cooperators, is to make the supervisor entirely responsible for the attendance record of his group. Replies repeatedly point out that it is the supervisor who is best acquainted with the individuals under his supervision, and who, in the final analysis, must stimulate the employee's interest in the job. The supervisor can be helpful to the company physician in many difficult cases, and is frequently in the most qualified position to distinguish between *bona fide* absence and *malinger*ing.

¹To be published shortly.

Approximately 10% of the companies regularly break down attendance records by department. These records are usually posted or distributed by the supervisor. In some companies, supervisors are encouraged to maintain their own department records. One or two companies say that publicizing attendance records of individual employees incurs resentment and does not secure cooperation.

Disciplinary Procedure

The experience of nearly one third of the cooperators indicates that formal disciplinary action in case of irregular attendance is one of the most effective controls—particularly in the case of unexcused absences. The number of warnings varies from one to four before the habitual offender is dismissed from the payroll. (In several companies layoffs of one to three days accompany the warnings.) Of these, the most common is "three strikes and you're out." THE CONFERENCE BOARD's forthcoming survey of personnel practices reveals similar results. In that survey, 203 out of 400 companies give two warnings before discharge.

Sick Benefit Plans with Controls

One out of every nine companies includes its sick-benefit plans under its successful methods of reducing absenteeism. In about half of these, the plans are operated by mutual benefit associations. Employees who are elected as officers of the associations in these companies successfully bring pressure to bear on fellow employees who are inclined to take advantage of the plan. In the other half, liberal sick-benefit plans, under which absenteeism increased soon after their inauguration, have been changed so that payments start only after a waiting period. These waiting periods vary from two to seven days and tend to discourage unnecessary short-term absences.

Holiday Pay and Union Cooperation

A similar type of restriction has been successful in regard to payment for holidays where absences occur on the day before or day after. In some of these companies, the union has cooperated by agreeing in the contract that various types of absences immediately before and after a holiday automatically mean no pay for the holiday.

In about 10% of the companies, unions cooperate to reduce absenteeism in a variety of other ways. In some instances, officers of the union, with company executives, stress the importance of regular attendance to new employees. In others, the shop steward, as well as the foreman, interviews each employee as soon as he returns to work after an absence. One company sets up a formal grievance through the regular grievance procedure in cases of habitual absentees.

Other methods of reducing absenteeism that have proved successful in at least one of the cooperating companies include the following:

- Improving working conditions;
- Personal letters or telephone calls from management group;
- Liberality in permitting changes in shifts for temporary periods and emergencies;
- Making attendance a factor in merit-rating plans;
- Special rewards (one day off for each six months of perfect attendance);
- Colored cards for absentees in time-clock racks.

Although the general approach toward reduced absenteeism is similar in many companies, there are many step-by-step variations, as can be seen from the following excerpts:

"We have found no method of control of sickness absence really effective. We have, however, through the years, put in a lot of time and effort on the subject and have developed methods for particular types of cases which we consider reasonably effective. For example, we have found that with employees who are seemingly prone to recurrent long-term illnesses and also with those who have frequent absences of short duration, individual attention and health advice by the company doctor has been helpful in a significant proportion to the total cases. With respect to the usual run of short-term illnesses, we have found nothing better than individual attention to each case by the immediate supervisor to make the employee conscious of the company's interest in his health and to discourage unnecessary absence.

"Our practice with regard to control of absence for personal reasons is likewise adequate supervisory attention to each case at the time when permission to be absent is requested or promptly on return of the employee from an unexcused absence. To obtain as consistent treatment as possible throughout the organization, supervisors are given instructions outlining permissible reasons for excused personal absences."

* * *

"Individual absenteeism can best be controlled through the immediate supervisor. He is best able to determine the reason for such absenteeism and to deal with such situations accordingly. The industrial relations staff can be helpful in making investigations when requested by the supervisor. Usually only cases of excessive absenteeism or absences without notification are investigated. A representative of our personnel division calls on the absentee at his residence and secures information concerning the cause of the absence. The investigator's report is then studied and the information forwarded to the immediate supervisor where further action, if any, is determined. Employees who are frequently absent without cause and who do not indicate a genuine desire to change are separated from the payroll. In most instances a disciplinary layoff is first used prior to discharge."

* * *

"Programs for controlling absence are continuing in

nature and approach the problem from several standpoints. In groups with consistently high absence, it has usually been found that a small proportion of people cause a large proportion of the absence. Hence, a great deal of attention is given to individuals as well as to the group as a whole. Following are the more significant activities in these programs (in which the supervisor plays a major role):

1. Recognition of each poor attendance case individually, analysis of reasons, and discussion of means of improvement with the individual;
2. Education as to the importance of the work and the importance of each individual's contribution to it;
3. Health and accident prevention education;
4. Provision and use of medical departments and nurses;
5. Separation from the payroll of those individuals who are able, but who are not willing, to assume their responsibility of regular attendance."

* * *

"The only effective control that can be placed upon absenteeism is to hold each department foreman responsible for his own absentee record. A foreman never has more than twenty to twenty-five men under his supervision and from day to day he should keep records for his own use, aside from official personnel records kept in the personnel department. From his own informal record he can determine the trend of absenteeism on the part of any individual and can use this record effectively when counseling with the individual."

* * *

"About 1945 we returned to an entirely departmental control of absenteeism after having come laboriously to the conclusion that each case was unique and could best be handled by the supervisor."

* * *

"We feel that the most effective control is that exercised by the foreman. He first discusses the problem with the employee whose record is spotty, writes him a formal warning (with copy to the superintendent and personnel department) at the next offense, writes him another note at the third, and disciplines him at the next. . . . Both management and union representatives stress the necessity for good attendance during the induction of new employees."

* * *

"We believe interest in the job can do more to offset absenteeism than anything else—this plus a well-run medical department. The former is a long-range function of supervision. We believe the desire to come to work will much offset the influence of colds and other transient illnesses. An effective follow-up system with visiting nurses helps keep down incipient illnesses of the more serious type."

* * *

"We have instituted practices which should, over the long term, be beneficial. We refer to a careful check on individual attendance and discharge of those employees who have a consistently poor record. We have an induction program at one mill and during the program the need

for regular attendance is emphasized. In some departments we publish the attendance record. Other steps, such as improving the general working conditions through provision of air conditioning, better medical service, and the provision of vitamins, immunization shots, periodic physical examinations, etc., should be helpful."

* * *

"We are undertaking an exhaustive study of individual absentee cases. We hope to determine from this study the proper area of control. At the present time we are inclined to the viewpoint that absenteeism cannot very successfully be attacked directly. There is some reason to think that excessive absence from the job is a symptom of more basic conditions."

* * *

"As the health of the worker is of primary importance we believe our first control lies in a thorough preemployment physical examination. During the war years, absenteeism reached its peak mainly because of the necessity of hiring physically substandard workers. Since we have been able to reestablish prewar physical standards for hiring a decrease in absenteeism has been noted.

"A second control, instituted last year, was a follow-up by a visiting nurse of absentees who phone in 'sick.' This is done on the second day of absence. We feel it important that the visiting nurse confine herself solely to an expression of solicitude for the health of the worker rather than assume any semblance of an investigatory role. Employees not at home when she calls are asked for an explanation by their supervisors. Disciplinary action is rarely taken except in chronic cases. Chronic absenteeism which cannot be satisfactorily explained results in warnings and eventual discharge.

"In addition, we have had a merit plan in effect for some years; in it is included a provision for rewarding perfect and prompt attendance for six-month periods by giving the employee a day off with pay."

* * *

"The following methods for controlling absenteeism have been found particularly effective:

1. Personal letters are written to employees reported absent without permission for three consecutive days. If no reply is received in one week, a follow-up letter is sent out. If there is no response to this letter, the case is reviewed and a visiting nurse is sent to the home. If conditions justify, the employee's name is removed from our records and the employee is so notified.

2. Departments are kept informed of their absence records by periodic reports and efforts are made by supervision to improve these records.

3. Follow-up investigation by supervision in cases that warrant. This is especially effective if foreman talks to employee upon return and explains effect of absence on entire department or plant.

4. Along with the employee's identification card, a card emphasizing the importance of regular attendance and indicating steps to be taken in case of unavoidable absence is given to all new employees. The special telephone number printed on this card indicates a private line and is used exclusively for reporting absences. This number is listed in the city telephone directory."

"In 1948 we adopted a system of absence reporting in which a green absence card is substituted in the clock card rack for every employee absence. When the absent employee returns to work, he is required to bring this green card to his foreman. The foreman then questions the employee as to the reason for his absence and notes the days and hours of work lost on the card. The employee then receives his clock card and is permitted to return to work. The green absence card is sent to the personnel department each week for compilation of statistics. We believe that many employees who normally might have absented themselves from work were discouraged from so doing because of the knowledge that they would be confronted with a green absence card upon their return.

"Another method was to obtain with the union an agreement, under which any employee absent from work for seven days without an acceptable reason would be considered to have quit voluntarily, so losing all his seniority, vacation compensation, etc. On the third day of such an absence, a red unexcused absence card is sent to the employment department and an investigation is made. This has been helpful in getting the people back to work before the seven-day period has elapsed.

"We were able to include in our union contract a clause to the effect that any employee absent the day before or after a paid holiday without an acceptable excuse will not receive his holiday pay. The acceptable excuses are limited to sickness of the employee, accident to the employee and death in the employee's immediate family."

* * *

"One of our divisions which has had the most successful experience in combating absenteeism bases its program largely on discipline. Absences without permission or a valid reason are handled through the following three-step program:

1. The foreman, together with the shop steward, interviews the chronic absentee in order to stress the importance of working steadily and to try and help by determining whether the causes of the absences can be removed;

2. If no improvement is shown, the superintendent talks to the absentee, ending with the warning that continued absences will subject him to disciplinary action. The superintendent advises the grievance committeeman of this warning and the committeeman also talks to the absentee.

3. If still no improvement is shown, the superintendent either suspends or discharges the absentee. The penalty imposed depends upon the seriousness of the individual case."

* * *

"There are three fundamentals in controlling absences:

1. Know who is absent;

2. Know why;

3. Eliminate as many of the causes as possible.

Naturally such a program requires good record keeping, good follow-up, and a man-to-man handling of special situations which arise."

* * *

"During the war we kept absentee records by depart-

ment and shift and found that the breakdown by crew was especially helpful and that working through supervision an improvement could be made. It is also our experience that chronic absentees can be picked out by studying personalities. We are, therefore, giving more of our thinking about selection to this rather than to corrective measures after the employee is on the payroll."

* * *

"Where we have large groups of employees there is a plant nurse who visits the homes to make sure that extended illnesses are receiving the proper care. In the case of wage earners in refineries, sick benefits are not payable until after a two-day waiting period, but in other cases of both salaried and wage employees, sick benefits are payable beginning with the first day of absence. This includes wage earners in both producing and sales operations."

* * *

"The best method of controlling absenteeism is through direct contact between the supervisor and the employee."

* * *

"We have no methods that seem to be particularly effective for short-term illnesses, but we have a program which is helpful on all absences exceeding one week, if they are absences due to illness or accident. We have in our mutual benefit association self-elected employee representatives in the different branches who take a great deal of responsibility and thereby we find that we have one employee helping avoid another employee's abusing the privileges and benefits of the plan. In other words, employees control each other to some extent."

* * *

"In our opinion the most effective means of combating absenteeism have been:

1. A formal disciplinary action policy setting up penalties for excessive absenteeism;
2. Proper selection, placement and training of new employees;
3. Good working conditions (this conclusion has been arrived at because absenteeism seems to be more prevalent where the working conditions are relatively poor)."

INEFFECTIVE CONTROLS

More than a third of the cooperators have found that certain methods have been definitely unsuccessful in reducing absenteeism. About 40% of these denounce the use of posters. Most of the other unsuccessful methods are isolated instances, and, here and there, the experience of these companies is exactly the opposite of the experience discussed in the previous section. These include:

- Mass appeals (both oral and written) to employees;
- Rewards (extra vacation days, war bonds, and "similar incentives");
- Interviews by a representative of personnel department;
- Interviews by the supervisor;
- Banners or insignia placed in winning departments;

- Visits by nurses and supervisors;
- Uncontrolled sick-leave policy;
- Colored cards in time-clock racks;
- Discharge;
- Signed statements;
- Attempts to secure union cooperation;
- Elaborate and detailed records.

Representative of the replies to this question are the following:

"Posters were used to a great extent during the war. It was my opinion that they did not have any effect as a control."

* * *

"A number of poster campaigns, combined with an attempt to interest the unions . . . had little effect."

* * *

" . . . we interview each absentee, require a signed statement from every employee absent a half working day or more. We make personal visits to workers who absent themselves without a report to the management. We have given prizes to those departments with the lowest rate of absenteeism. We have fired "employees with high absences and we continue to have a rate of absenteeism among our factory workers that we believe excessive."

* * *

"Prizes for attendance, publicity and similar 'incentives' have practically no effect."

* * *

"For a number of years we compiled statistics with which to develop elaborate graphs, charts, and diagrams showing the causes, types, and location of absentees. This practice was both costly and time consuming and accomplished little. While we now keep general records we find that a wholesale approach to the problem is not nearly so effective as emphasizing the individual responsibility of the supervisor for this problem."

* * *

"During the war we did try a scheme of having a large banner placed in the department each week which had the best absentee record. This was effective because almost every week the banner went to one of two departments which were small and in which there was no female help."

* * *

"Attempting to reduce absenteeism through bulletin board posters has insignificant value."

* * *

"During the war we had large signposts showing the standing of each department placed at the various entrances to the plant, and in this way created competition among the departments. This helped somewhat until the novelty wore off, and they were discontinued."

* * *

"We do know, however, that absenteeism grew rapidly

with the beginning of a new sick-leave policy which permitted an employee a certain number of days of paid sick leave. We are anxious to find some means of analyzing and dealing with this situation."

ABSENTEE FORMULAS

The great majority of companies maintain absentee rate figures. Of these, 70% use the following formula: total man days lost plus total man days scheduled equals rate of absenteeism (sometimes expressed: total man days lost plus total man days worked plus man days lost). The remaining 30% use the formula: total man hours lost plus total man hours scheduled (sometimes expressed: total man hours lost plus total man hours worked plus man hours lost).

Fewer than 10% of the companies figure their rates of absenteeism as far back as 1939. Among these relatively few the total company rates varied from 1.7 to 5.9.

By 1943, a third of the cooperators were regularly maintaining absentee rate figures, but very few broke these records down according to factory and office personnel. The total company rates in 1943 varied

from 1.75 to 25.98. The median rate (for what it may be worth) was 6.0%.

Many more companies are now maintaining these data, although the data for the last six months of 1947 were available in only two thirds of the companies at the time their replies were made. There is considerably less absenteeism now than in 1943 in these companies, but the total percentage figures still vary widely, ranging from 1.45% to 28.48%. The median rate is 3.8%.

The current survey results lend additional support to the widespread contention that company-to-company comparison of absentee rates is of questionable value. In the first place, rates fluctuate and vary according to purely local conditions and circumstances. In the second place, the definition of absence varies considerably and unless one is thoroughly familiar with the specific content of the several absenteeism rates being compared, the basis of the comparison is suspect at the outset.

S. AVERY RAUBE

Division of Personnel Administration

Legal Aids to Annual Wage Plans

THE Fair Labor Standards Act contains a provision (section 7 (b) (2)) giving employers who wish to adopt annual wage plans some flexibility in working hours without requiring them to pay time and a half for all hours worked over forty a week or 2,080 a year. The provisions are so rigid, however, that very few employers have taken advantage of it.

In the 1947 annual report of the Wage and Hour and Public Contracts Divisions of the Department of Labor, there is a lengthy discussion of the operations under this section, and a series of recommendations to make it more workable. An annual wage plan is feasible, it says, only if a high degree of flexibility exists. The divisions believe this flexibility can be achieved only if the provisions of the section are drastically revised.

FEW PLANS FILED

Under the section, the annual wage plan must be negotiated with representatives of employees certified by the National Labor Relations Board, and filed with the Divisions. By the end of December, 1946, collective bargaining agreements purporting to meet the requirements of section 7 (b) (2) had been filed by sixty individual employers, and two employer as-

sociations. One firm had agreements with two groups of employees so that sixty-three contracts had been signed with sixty-two companies or associations.

The food products industry had the largest number with eleven agreements, closely followed by textile printing and dyeing, with ten agreements. Other industries with more than one agreement were ice

Status of Annual Wage Agreements Purporting To Come Under Section 7 (b) (2) as of December 31, 1946

| Status | Total Contracts Filed or Reported by BLS ¹ | Contracts Known or Believed to Have Been Put into Effect ² | | | | Contracts Not Known to Have Been Put into Effect |
|----------------------------------|---|---|-----------------|--------------|----------------------------------|--|
| | | Total | Still in Effect | Discontinued | No Data Regarding Present Status | |
| Appeared to meet requirements... | 23 | 12 | 4a | 5 | 3 | 11b |
| Found defective... | 33 | 7 | .. | 7 | .. | 26 |
| Pending reply... | 7 | 6 | 6 | .. | .. | 1 |
| Not filed (reported by BLS).... | 5 | 5 | 4 | 1 | .. | .. |
| Total..... | 68 | 30 | 14 | 13 | 3 | 38 |

¹Sixty-three contracts filed with Divisions; five found by BLS not filed with division

²Includes twenty-four found to have been put into effect by the BLS and six known or believed to have been put into effect by the divisions but not found by BLS.

aOne no longer purports to come under 7 (b) (2).

bIncludes four contracts which were renewed at least once.

seven, fur six, men's clothing five, printing and publishing five, metals and machinery four, utilities four, wholesale establishments two. Sixteen AFL affiliates had negotiated thirty agreements; eight CIO affiliates had twenty agreements; four independent unions had negotiated thirteen agreements. In all, twenty-eight different national, international or independent locals were signatory to agreements filed under the section.

Section 7 (b) (2) provides for the filing of the agreement with the Wage and Hour and Public Contracts Divisions, only for opinion as to whether it complies with the law. No check has been made to discover whether these changes have been made, whether the agreement has been put into effect, and whether it was later discontinued.

DEFECTIVE PLANS

As part of the Latimer study of annual wage plans, the United States Bureau of Labor Statistics and the Divisions cooperated to ascertain the present status of the plans filed. In addition, they uncovered several more. Out of sixty-eight contracts about which information was collected, only twenty-three appeared to meet the requirements of section 7 (b) (2) and thirty-three were found to be defective, largely because they failed to provide an acceptable guarantee. Nearly two thirds of the defective guarantees involved "attempts at an escape clause or attempts to guarantee less than 2,080 hours," although the guarantee approached a full year.

ACTIVE AND INOPERATIVE PLANS

The accompanying table indicates that thirty-eight of the sixty-eight contracts were apparently never put into operation, while thirty were active at one time. Of the thirty only fourteen are still active; thirteen have been discontinued, and no data are available on three. Only twelve of the thirty agreements known or believed to have been put into effect were found to have met the act's requirements.

It is highly significant that only four out of sixty-eight contracts are known definitely to be still active and meet the requirements of section 7 (b) (2).

RECOMMENDED CHANGES

The Divisions call attention to the fact that the section has failed in its purpose of stimulating the adoption of annual wage plans. The prime obstacle, the Divisions point out, is the absolute limitation set by the statute on the number of hours the worker may be employed during the year under such an agreement. If he works one hour over 2,080 a year, the agreement is retroactively invalidated. Some of the other problems might be handled administratively, but under the act as it now stands the problems raised would be extraordinarily difficult without statutory guides. For example, would a guarantee of

eleven months constitute employment on an annual basis? Should the guarantee take into account normal fluctuations and should a shorter guarantee be permitted in industries subject to prolonged layoffs or seasonal fluctuations than in a stable one? If so, where should the line be drawn? If the administrator had said that a guarantee less than a full twelve months' period constituted a guarantee on an annual basis would the courts uphold him?

In outlining the revisions in section 7 (b) (2) which the Divisions believe necessary to add the desired flexibility, it was recommended that the provision requiring the agreement to be negotiated by *bona fide* collective bargaining representatives should be continued. The principal recommendations follow. The revision should allow a tolerance for hours worked in excess of 2,080 but should provide for guarantees approximating but not necessarily equaling 2,080 hours. This would permit the adoption of such agreements in plants with shorter work weeks or work years. The section should also provide that rates of pay be governed by the underlying union agreement and in what manner the guarantee is to be met when there is less work available than was guaranteed. If the guarantee is set at less than 2,080 hours, care should be exercised in drafting the provision so that the minimum guarantee does not become the maximum as well. The premium rates for hours above 2,080 should be specified and the absolute limit should be set at some point above 2,080 hours.

F. BEATRICE BROWER

Division of Personnel Administration

Management Reading

Work Routing, Scheduling and Dispatching in Production—Third and completely written edition of a textbook dealing with production control, work routing, mass production and materials handling. By John Younger and Joseph Geschelin. The Ronald Press Company, 1947, 168 pages.

Counterfeit Money: Concealed Inflation in Wage Incentives—Discusses the "little" errors of omission or commission in incentive payments, time study and standard setting, which, added and multiplied together, make the product cost more than it should be. By Phil Carroll, Jr., *Modern Management*, January, 1948, pp. 28-31.

An International Adventure in Training—Six students from the Retailing Department of the Rochester Institute of Technology spent two months working in the Salinas y Rocha store in Mexico City as part of the "Good Neighbor" program of Mexico. By Edwina B. Hogadone, *Stores*, December, 1947.

A Case History in Selecting Salesmen

By O. F. Habegger, Jr.

Advertising Manager, Bryant Heater Company

SELDOM does one company develop selection tools primarily for use by other companies. The Sales Talent Indicator plan of the Bryant Heater Company, however, was prepared for gas companies, distributors and dealers which have contracted to sell Bryant products. The actual users of our products¹ do not purchase equipment directly from us. Bryant depends upon the dealer salesmen who sell the products to maintain its sales volume. It is of considerable importance that distributors and dealers employ men who have the abilities and aptitudes needed to sell gas heating equipment. Any help which Bryant can furnish in this selection problem is of direct value to these organizations and to Bryant as well.

SALES SELECTION PROGRAM

We attempt to be helpful to our dealers in many ways. Local advertising material, training courses, technical assistance, heating institutes, and sales aids are made available to all who distribute our products. Each aid is developed and tested before it is made available because it is recognized that the dealers must have confidence in the company. This confidence can be maintained only through the distribution of material of proved value.

The decision to develop sales selection techniques for its dealers and distributors was preceded by careful study of the entire field of sales selection. We conferred with many companies which had experience in the use of tests for sales selection. We conferred with technically trained persons and reached the conclusion that testing techniques were of value if they were developed for specific sales situations and that generalized or standard methods could not be adopted for use in the selection of gas-heating equipment salesmen. The results of this survey should be of value to all organizations contemplating the installation of scientific methods of sales selection:

1. Aptitude tests are of value when constructed or adapted for specific sales positions. It is dangerous to use or recommend the use of tests without first conducting the necessary research to find out the extent of their value and how they should be interpreted.

2. A technically trained person should be hired or retained to carry out the research and the company should

¹Gas heating equipment and water heaters for domestic and industrial use.

be willing to devote time to the research in order to obtain maximum benefit from the selection program.

3. Tests are only one aspect of the sales selection methods, and such additional instruments as application blanks, interview procedures, rating sheets, and reference forms should be developed so that as many aids to judgments as possible can be utilized in the selection process.

Dr. Jay L. Otis, Director of the Personnel Research Institute¹ of Western Reserve University, was selected to standardize techniques for the selection of gas-heating equipment salesmen which could be recommended to Bryant dealers.

This research project was begun in 1943-1944 as part of a postwar planning program. This was at a time when practically no salesmen were employed. The handicaps were many, but the cooperation of all who were asked to participate in the study was excellent when it became known that the research would be of value in the selection of men returning from the service.

SALES TALENT INDICATOR PLAN

The steps involved in standardizing procedures for the selection of gas-heating equipment salesmen were:

1. Analysis of the job of the salesmen;
2. Selecting salesmen with known sales records to check the effectiveness of the aptitude tests;
3. Selecting tests to administer to the salesmen;
4. Comparing test results and test items with sales records;
5. Recommending the minimum number of items which would give maximum differentiation between good and poor salesmen;
6. Developing a complete plan of selection.

It was discovered that each organization had somewhat different sales procedures, but in general the duties of salesmen were similar. The information obtained during this stage of the study was utilized in the selection of tests, application-blank items, and interview areas.

Some salesmen were charged with the responsibility of engineering each gas-heating installation, others

¹The Personnel Research Institute of Western Reserve University was established to provide field work training for advanced graduate students and to serve Cleveland business and industry by offering its research facilities in those situations where it could serve the institution involved and at the same time contribute to the advancement of knowledge in the field of personnel research.

have engineering services available. Some salesmen received leads, others were required to canvass. The actual sales situations were, however, quite similar and it was believed that a single selection plan would serve most of the dealers and distributors.

Salesmen were selected who had known sales records and who were employed by a variety of companies. The 153 men selected for study were divided into an experimental group and a test group. Those in the experimental group were used to study the value of the tests and to set test levels for selection purposes. Those in the test group were used to check the results obtained on the experimental group. In this manner the testing procedures could be tried out and checked before being recommended for use. The men were distributed as follows:

| EXPERIMENTAL GROUP | | TEST GROUP | |
|--------------------|--------|--------------------|--------|
| Place | Number | Place | Number |
| Brooklyn..... | 26 | Brooklyn..... | 1 |
| Chicago..... | 6 | Chicago..... | 2 |
| Detroit..... | 10 | Cleveland..... | 7 |
| Grand Rapids..... | 9 | East Ohio Gas..... | 7 |
| Newark..... | 20 | Detroit..... | 1 |
| Rochester..... | 8 | Grand Rapids..... | 7 |
| Total..... | 79 | Indianapolis..... | 15 |
| | | Minneapolis..... | 12 |
| | | Pittsburgh..... | 19 |
| | | Rochester..... | 3 |
| | | Total..... | 74 |

The following tests were used in the experimental tryout with the intent of retaining only those parts of the tests which were of maximum value:

Strong Vocational Interest Blank
The Bernreuter Personality Inventory
The Measurement of Sales Aptitude
The Salesmen's Classification Test
The Minnesota Paper Formboard

The first three tests listed above were combined into a single test called the Sales Talent Indicator, usually referred to as the STI. This was done by dividing the 153 salesmen into two groups. Half of the members of the first group (experimental) were men with top selling records in the gas-heating field, while the remainder of the experimental group were of men whose sales work was known to be below par.

From these three tests, only those questions were finally chosen for the Bryant STI which best differentiated between the good and poor salesmen. In other words, the Personnel Research Institute carefully winnowed from the mass of questions and items only those which elicited uniform answers from the top group and contrary answers from the bottom group.

Such questions range widely over the whole gamut of human interests, occupational likes and dislikes, and personality responses. From the large variety of answers, it is possible to assemble a fairly complete test picture of the successful salesmen as contrasted with the unsuccessful. If the applicant's responses are markedly similar to the composite picture

of men known to be successful gas-heating equipment salesmen, the applicant might enjoy similar success. On the other hand, applicants who respond similarly to the below level group are likely to be unsatisfactory.

A carefully devised check study was made with the test group which showed that the Sales Talent Indicator, when properly used with the rest of the selection plan, would result in an improvement of 62% over selection methods commonly in use by the many companies involved in this study. Upon the basis of these findings, the STI was recommended for use.

The Salesmen's Classification Test, a test of mental ability or intelligence, had a lower relationship to sales success than the STI. This was also true of the Minnesota Paper Formboard. However, in both cases it was possible to set a minimum score below which the chances for failure were great. These tests were desirable additions to the selection plan.

Both a statistical analysis and a clinical analysis were made of the results of this phase of the study. After the data were collected from the various cities and processed, members of the staff of the Personnel Research Institute returned to these cities and reviewed the results for each company to make sure that no errors were made and that the tests would work in practice. Only then was it believed that they could be recommended to the dealers and distributors. Subsequent check studies have shown that these preliminary results were accurate and that the tests have a positive value in selecting successful gas-heating equipment salesmen.

There is much skepticism today concerning the usefulness of standardized selection procedures. It is important not only to develop useful procedures but

Combination Table for Interpreting Any Test Score

| STI Score | Classification Test Score | Minnesota Paper Form Board Score | Letter Grade | Interpretation |
|-----------|---------------------------|----------------------------------|--------------|---|
| 220 | 95-100 | 57 and Up | A | Favorable |
| 215 | 90-94 | 54-56 | A | |
| 210 | 85-89 | 51-53 | A | |
| 205 | 80-84 | 48-50 | B | |
| 200 | 75-79 | 45-47 | B | |
| 195 | 70-74 | 42-44 | B | Open Labor Market |
| 190 | 65-69 | 39-41 | B | |
| 185 | 60-64 | 36-38 | C | Critical Score Questionable Plus Tight Labor Market |
| 180 | 55-59 | 33-35 | C | |
| 175 | 50-54 | 30-32 | C | |
| 170 | 45-49 | 27-29 | C | |
| 165 | 40-44 | 24-26 | C | Critical Score Questionable Minus |
| 160 | 35-39 | 21-23 | C | |
| 155 | 30-34 | 18-20 | D | Unfavorable |
| 150 | 25-29 | 15-17 | D | |
| 145 | 20-24 | 12-14 | D | |
| 140 | 0-19 | 0-11 | D | |

When the final selection decision is made, the total picture of the applicant should be considered. The applicant who rates most favorably in all respects—weighted application blank score, interview rating, and the above test scores—should be the best prospect for employment.

Prepared by Personnel Research Institute, Western Reserve University, Cleveland, Ohio.

also to be able to demonstrate their usefulness. The technically trained man can provide valid sales selection methods, but some salesmanship is required to insure their proper use by men charged with the responsibility of hiring.

The Bryant STI plan is not infallible, of course; no plan which recognizes the human element of error in contacts between employer and applicant can claim that. But it is a helpful plan and, in most instances, an improvement over the more traditional methods of selection. It is highly important that the plan be presented to users in an honest, clear, and convincing manner. This was accomplished in the Bryant case by presenting the results graphically in talks to various employers of gas-heating equipment salesmen, and by actual demonstration of the usefulness of the plan.

What is the STI plan? It is based upon five major analyses of the applicant's capabilities. In the order in which they are applied they are a weighted application blank, a regulated interview form, the STI test, a salesman classification test (a test of intelligence), and a mechanical aptitude test which may be required in situations where salesmen are to be trained to do some engineering work.

Application Blank

Many companies have found that a scored (or weighted) application blank is an extremely useful selection device. The application blank gives information about the educational and work history, as well as many facts of a personal nature. The pattern of application blank information for the successful salesman is usually somewhat different from that of the unsuccessful man. The Bryant STI plan places relatively little weight on this selection technique and the score card is set to eliminate only those extreme persons whose chances of failure are very great.

Regulated Interview

These selection procedures are applied by some dealers and distributors who hire only one or two men a year. The employment interview has almost universal use and it was believed that suggested interview areas and suggested interpretation of responses would be helpful. The Personnel Research Institute prepared a manual for the use of the interviewer, part of which contains a description of how to interview and how to interpret the information obtained.

Sales Talent Indicator

The STI is a test composed of 234 interest and personality items. It can be administered, scored, and interpreted in a short time. A manual contains complete instructions for administering, scoring, and interpreting the test.

A manual was designed to acquaint persons who use STI with all the techniques involved. All working aspects of the plan are considered and complete instructions are given for their use. The application blank, references, the interview, and the tests are described in detail in an attractive, easy-to-read presentation. The table for interpreting the test scores illustrates the way in which directions are given. The accompanying table is based upon the facts obtained in the original research and represents the results of both the statistical and clinical analysis.

Salesman Classification Test

The salesman classification test is the fourth part of the plan. This measure of mental ability has a relationship to sales success which is of definite interest. Individuals who have extremely low scores on this test tend to be unsuccessful. However, individuals with high scores may or may not be successful. This test is most useful in eliminating probable failure.

Mechanical Aptitude Test

The Minnesota Paper Formboard, a test designed to measure mechanical aptitude, is the fifth and last part of the STI plan. This nonverbal test is a measure of the ability to acquire mechanical or engineering information. Since some organizations require their salesmen to learn the engineering aspects of gas heating installations, it was judged advisable to include this test.

CONTINUING RESEARCH

There is no doubt that research in sales selection is costly and time consuming. It is better to avoid the use of tests than to misuse them by short-cut methods. The research point of view in the case of the Bryant STI plan resulted in a useful and valid series of selection techniques which can be recommended with confidence.

The Bryant Heater Company has encouraged dealers and distributors using the STI plan to check its effectiveness by sending their employment data to the Personnel Research Institute for analysis. Changes in economic conditions, advertising plans, marketing methods, and in sources of sales personnel can combine to invalidate the plan as it now stands. So continuing research has been established as a Bryant policy.

Technically trained persons will recognize that this plan falls far short of perfect prediction. Although it can be thought of as scientific selection, it can best be described as an improvement over older methods of sales selection. It is a balanced plan in that it provides for the proper mixture of human judgment and objective test findings. It reduces failures. It increases the probabilities of successful selection.

Union Security Clauses Since T-H Act

A SURVEY of the union security provisions of one hundred contracts signed since August 23, 1947, and of the checkoff provisions of 230 contracts signed since June 23, 1947, reveals considerable confusion on the part of union and management negotiators as to the meaning and intent of Taft-Hartley Act provisions bearing on these matters.

Fourteen per cent of the 100 contracts signed since August 23, 1947, contain union security clauses that many observers believe might subject employers and union leaders who carry out their provisions to unfair labor practice charges. (See Table 1.)

Of the 230 contracts signed since June 23, 1947, forty-eight, or 20.9%, contain checkoff clauses that, in the opinion of governmental and other observers, could result in criminal prosecution by the Department of Justice of the employers and union leaders involved if the provisions are carried out. (Table 2.) For violation of its checkoff provisions, the Taft-Hartley Act provides penalties of one year in jail, \$10,000 fine, or both (section 302).

The survey reveal that of one hundred contracts signed since August 23, 1947, union and employer negotiators agreed in sixty-six cases to some form of union security, while in thirty-four cases they did not. (See Table 1.) None of the negotiators agreed to the closed shop, which is banned by the Taft-Hartley Act.

Labor and management negotiators agreed to a union shop in seventeen cases. The union shop is permitted by the Taft-Hartley Act only if a majority of the workers in the collective bargaining unit vote for it in an NLRB-conducted union shop election. In eleven of the seventeen contracts, the negotiators agreed that the union shop would not go into effect until after this vote; in six contracts there was no provision for an NLRB-conducted union shop election. (See Table 1.) If the employers and union leaders carry out the provision of the union shop clause without an election, they may be liable to an unfair labor practice charge (section 8).

The negotiators agreed to the maintenance of membership clause in fifteen contracts. (See Table 1.) Maintenance of membership, as with the union shop, must be approved by a majority of workers in an NLRB-conducted union shop election. In seven of the fifteen contracts with maintenance of membership clauses, the negotiators provide for this election; in the other eight they do not. As is the case with union shop, if the employers and union leaders who

Table 1: Union Security Clauses in 100 Union Contracts Signed on or after August 23, 1947

| Type of Clause | Total No. and % | AFL No. and % | CIO No. and % | IND. No. and % |
|---|-----------------------|---------------------|---------------------|----------------------|
| Union security provided..... | 66 | 29 | 23 | 14 |
| Union shop..... | 6 | 4 | 2 | 0 |
| Union shop clause pending certification..... | 11 | 7 | 1 | 3 |
| Maintenance of membership..... | 8 | 4 | 4 | 0 |
| Voluntary revocable maintenance of membership..... | 3 | 2 | 0 | 1 |
| Maintenance of membership clause pending certification..... | 7 | 4 | 0 | 3 |
| Combination maintenance of membership with union shop..... | 1 | 0 | 0 | 1 |
| Maintenance of dues..... | 28 | 6 | 16 | 6 |
| Harmony clause..... | 2 | 2 | 0 | 0 |
| Union security not provided..... | 34 | 10 | 17 | 7 |
| Total..... | 100 | 39 | 40 | 21 |

signed these eight contracts carry out the provisions of the maintenance of membership clause, they may be liable to an unfair labor practice charge (section 8).

Since August 23, 1947, the maintenance of dues clause is the most popular form of union security among negotiators. In one third of the one hundred contracts analyzed, they agreed to this type of clause. Of sixty-six contracts providing for some form of union security, thirty-two provide for maintenance of dues. (See Table 1.)

A maintenance of dues clause says that a worker who signs a checkoff authorization must continue to pay dues. It provides the union with security of income. It does not require an NLRB-conducted union shop election to be legally effective. Checkoff authorizations must conform to the act.

In thirty-five cases the negotiators did not provide for union security. But while lack of union security was shown by complete absence of union security provisions, in no case was it shown by the open shop clause.

POSSIBLE ILLEGAL CHECKOFFS

An analysis of 230 contracts signed since June 23, 1947, the effective date of the checkoff sections of the Taft-Hartley Act, shows that in 168, or 73.0%, of the cases, the negotiators agreed to checkoff clauses; in sixty-two, or 27.0%, of the cases, they did not.

In seven cases, negotiators agreed to automatic checkoff. This type of clause requires the employer to automatically deduct from the pay of all workers dues and other monies and remit them to the union. It makes no provision for the employer to receive a writ-

ten authorization from each worker to be checked off. If carried out as written, this type of checkoff clause is said by many observers to be illegal. (See section 302.)

In five other cases, the negotiators agreed to an involuntary checkoff clause. This type of clause says the worker must sign a checkoff authorization to get and keep his job. It is believed by some authorities to require an illegal compulsion.

The negotiators agreed in thirty-five contracts to the year-to-year voluntary irrevocable checkoff. Under this type of clause the worker signs a checkoff authorization that is good for one year or the termination of the contract, whichever is sooner. If at the end of this time the worker does not revoke it in writing within a fifteen-day period, it automatically goes into effect for another year. Labor relations attorneys and a high government official say they believe the automatic renewal feature to be illegal. They say that under Section 302 of the act the employer cannot continue to check off dues and other monies without getting a new authorization at the end of the year, or at the expiration of a contract.

Voluntary Checkoffs

The voluntary irrevocable checkoff clause is the most popular of all checkoff clauses. Negotiators agreed to it in sixty-five of the 230 contracts analyzed. The Taft-Hartley Act authorizes such a checkoff if the employer receives a written assignment which shall not be irrevocable for a period of more than one year, or beyond the termination date of the contract, whichever is sooner. (See section 302.)

Voluntary revocable checkoff was agreed to by negotiators in 23.9% (55 out of 230) of the contracts. It provides that the worker may revoke his checkoff authorization any time he sees fit. It is permitted by the Taft-Hartley Act.

The checkoff section (302) of the Taft-Hartley Act specifically provides only for money deducted from the wages of employees in payment of membership dues in a labor organization. All the 168 checkoff clauses cover union dues. However, fifty-one clauses cover initiation fees; twenty-seven, union assessments; and two, union fines. (See Table 2.)

UNION SHOP CLAUSES

The pattern of union security has undergone a radical change as a result of the Taft-Hartley Act. The closed shop, according to the Bureau of Labor Statistics, accounted for 33% of all workers under union contracts prior to the Taft-Hartley Act. In the survey of one hundred contracts signed since August 23, 1947, not one closed shop appeared. The same may be said of preferential shop, agency shop, and union shop with preferential hiring.

The strongest form of union security appearing in

Quick Guide to Union Security and Checkoff Clauses

| Type of Clause | Clause Number |
|---|---|
| UNION SECURITY | |
| Combination of maintenance of membership and union shop—no provision for NLRB-conducted union shop election.... | 10 |
| Discharge of workers delinquent in dues required..... | 12 |
| Discipline of workers engaging in anti-union activities required..... | 13 |
| Disputes over union acceptance of workers for membership, or over payment of dues, subject to grievance procedure or arbitration..... | 2, 6, 20 |
| "Good standing" defined as payment of initiation fee and dues..... | 4, 7 |
| Harmony clause..... | 13 |
| Maintenance of dues..... | 11, 12, 21, 22, 23, 28, 29, 30, 31 |
| Maintenance of membership—no provision for NLRB-conducted union shop election. | 6 |
| Maintenance of membership pending NLRB certification..... | 9 |
| Maintenance of membership pledge..... | 7 |
| "Milwaukee Plan" clause..... | 5 |
| New worker must join union: | |
| Within 30 days..... | 1, 3, 4, 10 |
| Within 60 days..... | 2 |
| Question of stronger union security left open during life of agreement..... | 11, 17 |
| Union shop—effective upon union compliance with Taft-Hartley Act (includes NLRB-conducted union shop election).... | 3, 4, 5 |
| Union shop—effective if union shop election section of Taft-Hartley Act is declared unconstitutional..... | 3 |
| Union shop—no provision for NLRB-conducted union shop election..... | 1, 2 |
| Union shop—union must accept all workers for membership..... | 4 |
| CHECKOFF | |
| Assessments excluded from checkoff..... | 5, 22 |
| Back dues excluded from checkoff..... | 22 |
| Checkoff of: | |
| Dues..... | 2, 11, 12, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31 |
| Initiation fees..... | 11, 12, 14, 15, 16, 17, 18, 30, 31 |
| Assessments..... | 11, 14, 18, 31 |
| Fines..... | 15 |
| Checkoff subject to state law..... | 23 |
| Checkoff, type of: | |
| Automatic..... | 14, 15, 16 |
| Involuntary irrevocable..... | 17, 18, 19 |
| Voluntary irrevocable..... | 2, 11, 12, 21, 22, 23, 24, 28, 29, 30, 31 |
| Year-to-year voluntary irrevocable..... | 20 |
| Voluntary revocable..... | 25, 26 |
| Employee signature on checkoff authorization must be witnessed..... | 23 |
| Fines excluded from checkoff..... | 5 |
| Limitation on amount checked off for: | |
| Dues..... | 5, 12, 16, 18, 23, 24, 28, 30 |
| Initiation fees..... | 33 |
| Assessments..... | 12, 16, 18, 33 |
| Fines..... | 18 |
| Wife must sign checkoff authorization..... | 27 |
| Written authorization of checkoff provided. | 2, 11, 12, 13, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33 |

these contracts signed after August 23, 1947, is the union shop. It appears in seventeen of the one hundred contracts analyzed.

Six of the one hundred contracts analyzed contain union shop clauses without providing for union shop elections. An example of such a clause, from a contract between a midwestern company and an AFL union, follows:

- (1) "The company agree to recognize the union as the exclusive bargaining agency for its employees except office employees and foremen. It further agrees that no person eligible for membership in the union will be permitted to work longer than thirty days without becoming a member of the union."

An eastern company and an AFL union agreed to a union shop on the basis that the union assured the company "that a substantial majority of the employees desire that union membership be made a condition of employment." However, the Taft-Hartley Act says union membership can be made a condition of employment only "if, following the most recent election held as provided in Section 9 (e) the Board shall have certified that at least a majority of the employees eligible to vote in such election have voted to authorize such labor organization to make such an agreement" [section 8 (a) (3) (ii)].

- (2) "Inasmuch as the company has received ample assurance from the union's committee which makes this agreement in behalf of all its employees, that a substantial majority of such employees desires that union membership be made a condition of employment, it is agreed that every employee shall become a member of the union and shall keep himself or herself in good standing as such, subject, however, to the following conditions and exceptions:

"A. The company will deduct, for the period of this agreement, from the wages payable to any eligible or union member who shall have given the company a written order to do so, such amount of union dues as shall be owing by such member. All dues so deducted will be forwarded to the office of the national secretary-treasurer or other national officer of the union duly designated in writing to receive the same and to the financial secretary of the local in such proportion as designated by the national secretary-treasurer; provided, that such local union officer shall give the company written notice of the amount he claims to be due at least two weeks before the pay day on which payment is to be made.

"B. During the term of this agreement the company shall have the right to choose any person as a new employee. Every new employee shall be a temporary employee for a period of sixty days from the date he first reports for work.

"C. When any new employee has served his probationary period of sixty days, it shall be the duty of the company to notify the corresponding secretary of the expiration of the probationary period.

"D. The union shall accept as members, without discrimination, upon their application, any new employee

Table 2: Checkoff Clauses in 230 Union Contracts Signed after June 23, 1947

| Type of Clause | Total | | AFL | | CIO | | IND. | |
|------------------------------------|-------|-------|-----|-------|-----|-------|------|-------|
| | No. | % | No. | % | No. | % | No. | % |
| Checkoff provided | 168 | 73.0 | 47 | 50.5 | 99 | 95.2 | 22 | 66.7 |
| Automatic check-off..... | 7 | 3.0 | 0 | .. | 7 | 6.7 | 0 | .. |
| Involuntary irrevocable..... | 5 | 2.2 | 0 | .. | 4 | 3.8 | 1 | 3.0 |
| Voluntary irrevocable..... | 65 | 28.3 | 20 | 21.5 | 38 | 36.5 | 7 | 21.2 |
| Year-to-year voluntary irrevocable | 36 | 15.7 | 9 | 9.7 | 22 | 21.2 | 5 | 15.2 |
| Voluntary revocable..... | 55 | 23.9 | 18 | 19.4 | 28 | 26.9 | 9 | 27.3 |
| Checkoff not provided..... | 62 | 27.0 | 46 | 49.5 | 5 | 4.8 | 11 | 33.3 |
| Total..... | 230 | 100.0 | 93 | 100.0 | 104 | 100.0 | 33 | 100.0 |

who has served his or her probationary period of sixty days, and it shall not refuse membership to such employee except in the existence of some good and sufficient objection to the employee. If there is a difference of opinion between the company and the union in reference to such employee it becomes a grievance, and shall be settled accordingly."

On the whole, negotiators who signed union-shop contracts evinced caution in approaching this type of union security. Under eleven of the seventeen contracts, the union shop is made effective only after the union leaders take all steps required by the law and secure a majority vote in an NLRB-conducted union shop election.

- (3) "The employer agrees to retain in his employment . . . only members of the [AFL union] who are in good standing, excepting executive, supervisory, office, stock, packing, shipping, maintenance, service and leather room employees. Any member of the union shall be considered to be in good standing unless he becomes indebted to the union for dues, fines, or other indebtedness in the sum equal to the amount of three months' dues and shall neglect or refuse to pay the same after having been notified so to do by the financial secretary.

"It is mutually understood and agreed that the provisions of Article 2 of this agreement shall become effective only when the union has complied with the provisions of the Labor Management Relations Act of 1947 with respect to the union shop agreement, or when the union and the company have received advice by rule or otherwise from the National Labor Relations Board that compliance with the provisions of such law as to election and certification are not necessary to the validity under the law of the union shop agreement between the parties. Upon the happening of either of the above events, the provisions for the union shop as provided in Section 2 of this agreement shall immediately become effective." [Agreement between a midwestern manufacturing company and an AFL union.]

Some union shop clauses specify that "good standing" means payment of union initiation fee and dues.

- (4) "(Temporarily suspended in compliance with section

Table 3: What Is Affected in 168 Union Contracts Signed after June 23, 1947, Containing Checkoff Clauses

| What Is Checked Off | Total | | AFL | | CIO | | IND. | |
|--|-------|-------|-----|-------|-----|-------|------|-------|
| | No. | % | No. | % | No. | % | No. | % |
| Total number contracts with check-off clauses..... | 168 | 100.0 | 47 | .. | 99 | .. | 22 | .. |
| Checkoff of dues.. | 168 | 100.0 | 47 | 100.0 | 99 | 100.0 | 22 | 100.0 |
| Checkoff of initiation fees..... | 51 | 30.4 | 11 | 23.4 | 34 | 34.3 | 6 | 27.3 |
| Checkoff of fines.. | 2 | 1.2 | 0 | .. | 2 | 2.0 | 0 | .. |
| Checkoff of Assessments..... | 27 | 16.1 | 4 | 8.5 | 19 | 19.2 | 4 | 18.2 |

8 (a) (3) of the Labor-Management Relations Act of 1947 until such time as the union obtains a certification from the National Labor Relations Board authorizing the union to make an all-union shop agreement.)

"1. Subject only to the provisions of Article XV of this contract, the corporation reserves to itself the exclusive right to determine who and how many persons it will employ or retain.

"2. Subject to the provisions of Section 7 of this article, all present employees within the unit defined in Article I, who are not now members of the union shall, as a condition of continued employment, apply for membership in the union within thirty days from date hereof.

"3. Subject to the provisions of Section 7 of this article, all persons hereafter employed by the corporation within said unit shall, as a condition of continued employment, apply for membership in the union within thirty days after they commence work.

"4. The union agrees to accept into membership any employee within said unit without in any way discriminating against such employee. The union agrees that it will not make any condition to join the union against

any new applicant for membership which will be more burdensome than the conditions applicable to all present members of the union. If any application for membership is rejected by the union, the employee concerned shall not, because of such rejection, lose his rights or status as an employee.

"5. Any present or new employee within said unit who now is or may hereafter become a member of the union shall, as a condition of continued employment, remain a member of the union in good standing.

"6. For the purpose of this article, a union member shall be considered to be "in good standing" if he has paid the regular initiation fees and dues required of all other members of the union. The union agrees that it will not discriminate and will not arbitrarily or capriciously suspend or expel any member of the union.

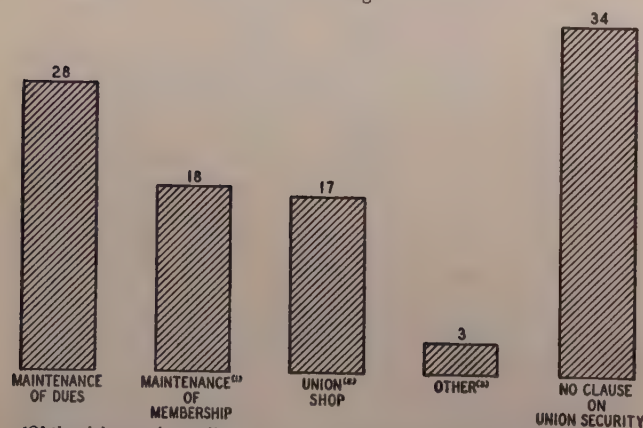
"7. This article shall not apply to temporary employees until the corporation has classified them as permanent. Temporary employees shall include, but shall not be limited to, persons hired for probationary period, construction projects, absences because of accident, illness, vacation relief, or leave of absence, nor to employees temporarily moved to said unit from other collective bargaining units." [Agreement between a midwestern manufacturing company and an independent union.]

Some union shop clauses that comply with the Taft-Hartley Act go into great detail as to steps to be taken by the employer and the union leaders to assure a 100% union shop. The following clause, from the contract of an eastern manufacturer and a CIO union, is often called the "Milwaukee Plan."

(5) "Cooperation Plan. (The company is agreeable to including in this agreement an article providing for union security in the form commonly known as the company's 'cooperation plan.' Similar articles are found in other labor agreements of the company. The cooperation plan is fully set forth below but it is specifically understood that none of the provisions of article IV will become effective until the union has complied with all of the provisions of the Labor-Management Relations Act of 1947 concerning union security.)

Chart 1: Types of Union Security Clauses in 100 Contracts Signed since August 23, 1947

Source: NATIONAL INDUSTRIAL CONFERENCE BOARD
In Percentages



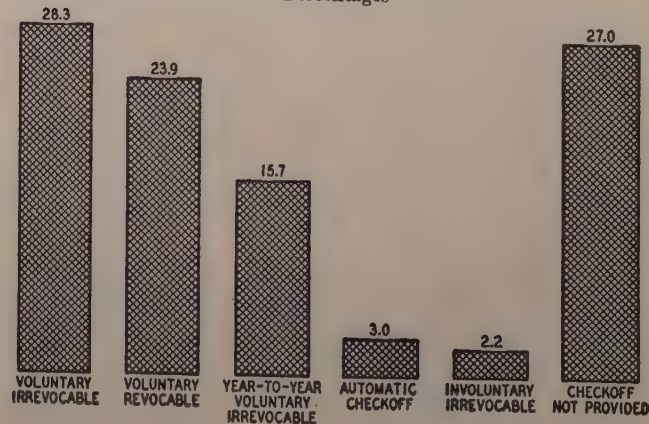
¹Of the eighteen, six specify an NLRB-conducted union shop election before the maintenance of membership provision becomes effective (Table 1); eleven contracts do not specify such an election.

²Of the seventeen, ten specify an NLRB-conducted union shop election before the union shop provision becomes effective (Table 1); eight contracts do not specify such an election and three are for voluntary revocable maintenance of membership.

³The three include two harmony clauses and one clause requiring maintenance of membership for old employees and union shop for new employees.

Chart 2: Checkoff Provisions of 230 Contracts Signed since June 23, 1947

Source: NATIONAL INDUSTRIAL CONFERENCE BOARD
In Percentages



"Section 1. The reasons for the cooperation clause. The company and the union mutually agree to cooperate with one another to the best advantage of both. The company believes that harmonious relations among all employees in the unit are beneficial to the company as well as to the employees. The company believes that after the union has gained the right to represent all of the employees in the unit, then the best interests of both the company and the union are served if the union has 100% regular dues-paying membership. With a 100% regular dues paying membership, there will be more employees taking an active interest in the union and this will result in harmony among employees, better management of the union, and better production of the goods and services which the company makes and sells.

"SECTION 2. Nevertheless, the union should sell itself to the employees. This is primarily the business of the union, not the business of the company. This principle applies not only to new employees or employees who have never before been members of the union, but also to the routine payment of regular dues. It is the business of the union to see that employees understand its purpose and keep the employees in the unit informed of its purposes and that membership and dues payments are worth while. Under the cooperation clause, it is the obligation of the company to assist the union with membership and regular dues payments only after the union has carried out its part of the cooperation agreement.

"SECTION 3. The scope of the cooperation clause. The obligation of the company to assist the union under the cooperation clause is subject to certain mutually recognized limitations. The clause does not require the company to take any disciplinary action to compel employees during the probationary period to join the union or to pay regular union dues. It does not extend to or cover the payment of union fines, special assessments or the enforcement of other internal disciplinary measures taken by the union with respect to its membership. The term 'regular dues' as used in this agreement shall not

exceed the amount of the regular dues being collected under the current contract.

SECTION 4. It is recognized that from time to time unusual circumstances will arise in which the strict application of the procedure outlined in this agreement would be inappropriate. When such unusual circumstances arise, the company and the union will confer for the purpose of considering and, by cooperative effort, alleviating such unusual circumstances.

"SECTION 5. The above mentioned limitations and exceptions shall not detract from the agreed objective of the cooperation clause; namely 100% regular dues-paying union membership in the established collective bargaining unit.

"SECTION 6. Procedure to be followed.

"First step—The union will contact each new employee promptly after his employment to explain the purpose of the union and the reasons for union membership.

"Second step—If, by the end of the probationary period of employment, as set forth in this agreement, the employee has not become a member of the union, the union may notify the company of this fact by delivering a written notice to the personnel director at the plant. This notice shall contain the certificate of a responsible officer of the local union that an authorized representative of the union has discussed union membership with the employee and has invited the employee into union membership and has received a refusal from the employee.

"Third step—Upon receipt of the notice provided in the second step, a representative of the company will promptly interview the employee and explain the purposes of the cooperation clause and make a firm request that the employee become a member of the union. Promptly after this interview, the company will notify the union in writing that the interview has been held. Thereafter, the company will take no further action until further notice in writing from the union that the employee has not yet become a member.

"Fourth step—If, at the expiration of thirty days following the first notice of the employee's refusal to become a member of the union, the employee has not yet become a member of the union and the union so notifies the company in writing, the company will lay off the employee with the understanding that, subject to all the provisions of the agreement, he will be restored to active employment upon becoming a member of the union.

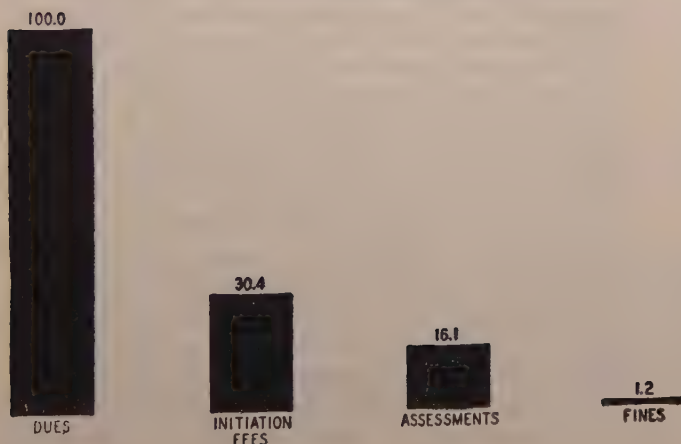
"Fifth step—If, at the expiration of fifteen days following the layoff provided in the fourth step, the employee has not become a member of the union, a final notice will be sent to him by the company advising him that unless he becomes a member of the union and returns to active employment within ten days from the date of such notice, his employment will terminate at the expiration of said ten days."

MAINTENANCE OF MEMBERSHIP

Of the one hundred agreements analyzed, the negotiators in eight cases agreed to a maintenance of mem-

Chart 3: What Is Checked Off in 155 Contracts Signed since June 23, 1947, Containing Checkoff Clauses

Source: NATIONAL INDUSTRIAL CONFERENCE BOARD
In Percentages



bership clause, without requiring in the clause an NLRB-conducted union shop election.

- (6) "All employees who are members of the union and all employees who become members after the effective date of this agreement shall, as a condition of employment, continue to maintain their membership for the duration of this agreement.

"If a dispute arises as to whether an employee (1) was a member of the union on the date specified above, or (2) had failed to maintain his membership in the union in good standing after the aforesaid date, or (3) was intimidated or coerced into joining the union after the aforesaid date, such dispute may be submitted for determination by an arbitrator to be selected in the manner provided herein. The decision of the arbitrator shall be final and binding upon the parties." [*Agreement between an eastern manufacturer and a CIO union.*]

A few contracts provide that the employer shall honor agreements that employees have entered with the union "that they will maintain their membership in the union as a condition of employment."

- (7) "The parties hereto hereby recognize that certain employees have entered into agreements with the union that they will maintain their membership in the union as a condition of their employment by executing a 'voluntary maintenance of membership card,' in the form set forth in exhibit A annexed hereto and made a part of this agreement, provided that the failure of an employee to tender the periodic dues and the initiation fees uniformly required as a condition of acquiring or retaining membership in the union shall be the sole ground for denying such employee membership in the union."

Notification of Agreement To Maintain Membership

"To [Company]

"I, the undersigned, wish to notify you that I have entered into an agreement with . . . union . . . , affiliated with the [AFL union] to maintain my membership in such union, for the term of the collective bargaining agreement, executed October . . . 1947, and any automatic extension thereof.

"I hereby further certify that this card has been signed by me voluntarily, without any duress or coercion on the part of the union, or any of its members, and with full knowledge that I will not sacrifice my employment by your company, or any of my rights and privileges in such employment, if I do not sign the same.

.....
(NAME)

.....
(ADDRESS)

"Department....."

[*Agreement between a midwestern manufacturer and an AFL union*]

Voluntary Revocable Maintenance

Another type of clause provides that union members must maintain their membership during the life of the agreement but fifteen days preceding the anniversary date of the contract they can withdraw by resignation.

- (8) "All employees in the classification covered by this agreement who are members of the [union] in good

standing in accordance with its constitution and by-laws as of September . . . , 1947, and all employees covered by this agreement who thereafter become members shall, as a condition of employment, remain members in good standing for the duration of this agreement, except that during the fifteen-day period immediately preceding the anniversary date of this agreement, any such member in good standing shall have the right to withdraw by resignation, with written notice to the [union] and to the company, such resignation to be effective not earlier than the anniversary date. [*Agreement between a southern utility company and an AFL union.*]

This contract does not provide for the required NLRB-conducted union shop election.

Pending Certification

Of the eighteen maintenance of membership clauses, seven provide that their provisions shall not be put into effect pending an NLRB union shop election. A simple type of such clause appears in a contract between an eastern company and several AFL unions.

- (9) "Section 2. It is further agreed that if, during the life of this agreement, the National Labor Relations Board shall certify that the conditions and requirements of section 8 (a) (3) of the Labor-Management Relations Act of 1947 have been fulfilled, the company and the unions will execute a supplementary agreement reestablishing the so-called 'maintenance of membership' conditions of employment in so far as consistent with the Labor-Management Relations Act of 1947 or any other applicable laws."

Combined with Union Shop

One contract of the one hundred analyzed requires that all present employees who are in the union must remain in the union and that all new workers must join the union after thirty days. Under this type of union security, present employees who are not in the union need not join to keep their jobs. This type of clause occurred in a contract between an eastern manufacturer and an independent union.

- (10) "It is mutually agreed that all employees of the company who are members of the union as of the date of this agreement, and all who become members subsequent to the date hereof, shall continue their membership during the life of this agreement. Each new employee shall be informed of this agreement and shall be given a copy of it when hired, and shall become a member of the union after a trial period of thirty days, excepting forty-five days trial period for assemblers and sheet metal workers."

MAINTENANCE OF DUES

The most popular type of union security is the maintenance of dues clause. It occurs in twenty-eight of the sixty-six contracts containing union security clauses. It provides that workers who sign checkoff authorizations shall maintain their dues payments. It is the use of the voluntary irrevocable checkoff without any other form of union security.

An agreement between a midwestern company and District 50, United Mine Workers of America, provides this type of union security. This clause leaves the door open for the union leaders to strengthen their union security clause during the life of the contract.

(11) "Section 4. The question of union security is still under consideration between the company and the union and may be taken up at any time during the contract period.

"Section 5. The union shall certify to the company a list of all members charged with assessment, having the approval of District 50, United Mine Workers of America. Initiation fees, monthly dues and properly certified assessments of union members, upon proper, written authorization of individual members, shall be deducted by the company and forwarded to the financial secretary of Local . . . in check form marked 'for deposit only,' not later than two days after the first pay day of each month. The above written authorizations shall be irrevocable for the duration of this agreement." [*Agreement between a midwestern company and District 50, UMWA., AFL.*]

Another agreement of the United Mine Workers requires the discharge of workers who become delinquent in the payment of their dues. However, the checkoff section of the Taft-Hartley Act provides for collection of dues only upon the worker signing a proper checkoff authorization, and section 8 (a) (3) of the act requires sanction by a majority vote in a NLRB-conducted union shop election before union dues payment is a condition of employment.

(12) "The company agrees that any present employee who on the date of signing this agreement is a member of the union, or any employee who hereafter during the life of this agreement becomes a member or is reinstated as a member of the union, shall as a condition of continued employment continue to pay dues to the union or be discharged from the employ of the company, upon the written request of the union after it has given at least one week's notice to the delinquent member or members, and to the company.

"The company will recognize voluntary checkoff cards (authorization for union dues and initiation fees deductions from wages) for the deduction of union dues not to exceed \$1.50 per month per employee, and deduction of initiation fee not to exceed \$3.00 per new employee joining the union."

HARMONY CLAUSES

Perhaps the weakest form of a union security clause is the so-called harmony clause. Here, the employer agrees to encourage membership in the union without making membership a condition of employment.

The general counsel of the NLRB, Robert Denham, has not handed down any opinion on the legality of the harmony clause. Until he does, it is presumed that an opinion given to the United States Conciliation Service by the previous NLRB general counsel still stands. He stated that the harmony clause does not violate the NLRA if:

1. The employer does not assist the union by any act that might be considered as unfair labor practice;

2. The union represents a majority of the workers in the bargaining unit;

3. The clause has a "certainty of obligation," and specifies in a detailed manner just how the employer intends to cooperate with the union.

An example of a harmony clause occurs in the post-Taft-Hartley contract of a southern food company and a CIO union.

(13) "Relationship Between Company and Union. It is agreed by the company and the union that in order to further harmony and good will between the company and its employees and in order to promote efficient operations at the [plant], it is desired by both parties to this agreement that all employees eligible for membership therein become and remain members of the union in good standing, and the company and the union, therefore, agree to cooperate fully to the end that such conditions shall prevail. In furtherance of such cooperation, it is agreed that:

"A. Promptly after this agreement becomes effective, the company shall post copies of this paragraph in conspicuous places in the [plant];

"B. Copies of this paragraph shall be given to all present employees as soon as possible after this agreement is signed by both parties and to all new employees at the time they are employed;

"C. Voluntary wage assignments, as per the attached copy, shall be given to all new employees at the time they are employed;

"D. A list of newly hired employees shall be furnished the union weekly;

"E. The company shall instruct its entire supervisory force, including foremen, to further such program in every reasonable way;

"F. The company, through its [plant] superintendent, shall endeavor by personal solicitation and persuasion to have all employees become members of the union and remain members thereof in good standing and pay their membership dues;

"G. The company shall discipline, in such manner, including in proper case, discharge, as shall be agreed upon after consultation and discussion with the union, any employee engaging in anti-union activities, or in stirring up discord between the company's employees, or impairing the harmony or good will between the company, its employees and the union;

"H. The president of the union or his representative shall be present when an employee is called before the superintendent or his designated representative to answer to a complaint registered with the management as mentioned in subdivision G."

AUTOMATIC CHECKOFF

The automatic checkoff clause does not require a written authorization from the worker.

Labor relations attorneys and government officials believe the automatic checkoff is illegal for two prin-

Checkoff Clauses in Contracts

Checkoff clauses, on the whole, break down to these four types:

1. *Automatic*—Employer agrees to automatically deduct dues and other monies from the worker's wages and turn the money over to the union.

2. *Involuntary irrevocable*—Employer agrees that to secure and keep his job a worker must sign a form authorizing the employer to deduct union dues and other monies from his wages.

3. *Voluntary irrevocable*—Employer agrees to deduct union dues and other monies from the worker's wages only if the worker signs a form authorizing him to do so generally requires that the worker's authorization shall not be irrevocable for more than one year, or beyond the termination date of the contract, which ever is sooner.

4. *Year to-year voluntary irrevocable*—Employer agrees to deduct dues and other monies from the worker's wages if the worker signs a checkoff authorization. If the worker does not revoke his authorization at the end of a year or at the contract termination date, it goes into effect for another year.

5. *Voluntary revocable*—Employer agrees to deduct union dues and other monies from the worker's wages, if the worker signs a form authorizing him to do so. The worker can revoke this authorization any time he sees fit.

principal reasons. The first is that before the employer can check off monies from the worker's wage to be delivered to the union, he must have, under the act, a written authorization to do so. An automatic check-off does not provide for such written authorization. Secondly, they point out, the legislative history of the act indicates that it was intended to prohibit automatic checkoff. For instance, Senator Taft in the Congressional debate on the Act stated that section 302 "prohibits a checkoff made without any consent whatever by the employees" (*Congressional Record*, May 8, 1947, p. 4876). Despite the serious doubts as to its legality, the automatic checkoff clause is in seven of the 230 contracts analyzed. (See Table 2.)

The automatic checkoff clause occurs in the contract of an eastern manufacturing company and a CIO union. The contract makes no provision for written authorization of the following checkoff:

(14) "The company shall deduct from the pay of each employee covered by this agreement all union dues, initiation fees, and assessments.

"All deductions of union dues, initiation fees and assessments shall be made the second pay day of the calendar month for which they are payable.

"All sums deducted shall be remitted to the financial secretaries of the local unions not later than the end of the calendar month in which such deductions are made.

"The company shall submit to the local union a monthly record in triplicate of those employees from whose earnings deductions have been made, together with the amount of such deductions.

"The company shall furnish the respective financial secretaries of the local union a weekly list of all employees laid off, discharged, recalled or hired during each week.

"The union shall certify to the company the amount of dues, initiation fees and assessments to be deducted from the pay of each employee."

A midwestern company's checkoff clause covers deductions of fines, initiation fees and assessments:

(15) "Section 3. The union, on the first day of each month shall furnish the company with a list of its members showing the amount of initiation fees, union dues and fines due from each member. The company shall deduct from the first pay of each month the amount due from the members of the union and promptly pay the same to the financial secretary of the union."

An automatic checkoff in a contract between an eastern manufacturer and a CIO union specifies the amount of initiation fee and method of payment:

(16) "The company shall deduct the union initiation fee of \$3.00 in three equal installments of \$1.00 each from the next succeeding weekly pay of those employees of more than sixty days' service who have been certified by the union as applicants for membership.

"The company shall deduct union dues from the weekly pay of all employees who have been certified to the company by the union as members, except that no dues shall be deducted from the pay of an applicant for union membership until the full amount of such applicant's initiation fee has been collected.

"All money deducted for dues or initiation fees shall be remitted promptly to the local union. No deduction or subsequent deduction shall be made from an employee's vacation pay or for any week in which no pay is received."

The agreements containing these clauses do not provide for written authorizations.

INVOLUNTARY IRREVOCABLE CHECKOFF

Closely allied to automatic checkoff is involuntary irrevocable checkoff. This type compels the worker to sign a checkoff authorization. It may be illegal under the Taft-Hartley Act. Section 302 of the Act permits checkoff if:

"The employer has received from each employee, on whose account such deductions are made, a written assignment which shall not be irrevocable for a period of more than one year, or beyond the termination date of the applicable collective agreement, whichever occurs sooner."

Section 302 does not say anything about forcing an employee to sign an authorization. But some labor relations attorneys feel that involuntary signing may be illegal. Among other sections of the act they point to section 8 (a) (3) which says that:

"It shall be an unfair labor practice for an employer by discrimination in regard to hire or tenure of employment

or any term or condition of employment to encourage or discourage membership in any labor organization."

The only exception to section 8 (a) (3) is if the employer and union sign a union shop or maintenance of membership agreement and the union has been authorized to sign such an agreement by an NLRB-conducted union shop election. Labor relations attorneys point out there may be, therefore, some doubt as to whether the involuntary irrevocable checkoff is illegal when it is in a union shop contract signed by a union that has complied in every way with the Taft-Hartley Act.

The following involuntary irrevocable checkoff clause is from a union shop contract signed after August 23, 1947. In the contract no provision is made for an NLRB-conducted union shop election.

(17) "Section 1. In this agreement between the company and the union, the union requires the payment of dues and initiation fees and any violation will be cause for the employee to be discharged upon demand of the union.

"Section 2. It is mutually agreed that each member shall sign [italics ours] the following agreement with the company enabling the company to legally make deductions for union dues from the pay of each member, such agreements to be signed and filed with the company:

"I,, do hereby agree with company that until further notice by me in writing, and so long as there is in effect a collective bargaining agreement between company and local union CIO, the company shall deduct such dues as the treasurer of said union shall notify the company to so deduct. I further agree that if, at any future date, I should lose my membership in the union because of failure to pay dues or initiation fees, the company shall have the right and the obligation to discharge me from employment by said company, and that the company is hereby released by me from any liability for damages in connection with the foregoing.

.....
(Signature)"

"Section 3. All deductions shall be made on the first pay day of each calendar month.

"Section 4. The union will give the company written notice of the amount of initiation fees and dues and of any delinquency in dues now outstanding.

"Section 5. All sums so deducted shall be remitted to the secretary-treasurer of the union not later than the fifth day after such deductions are made.

"Section 6. The company will furnish the secretary-treasurer of the union monthly a record of those for whom deductions have been made, together with the amount of such deductions." [Contract between a midwestern manufacturer and a CIO union.]

In a union-shop contract between a midwestern food company and a CIO union, "the company agrees that the voluntary checkoff of dues, initiation fees

and assessments is a condition of employment." The contract was signed after passage of the act, but prior to August 23, 1947.

(18) "The company agrees, upon written authorization of any employee to deduct from the wages due such employee on the first pay day of each month, dues not to exceed two dollars monthly, an initiation fee not to exceed five dollars and assessments not to exceed three dollars per year. All amounts so deducted shall be paid to the financial secretary of local of the union together with an itemized list of members paying dues, initiation fees and assessments, within one week after the deductions have been made. The financial secretary will promptly issue an official receipt to the company. No deduction will be made from the pay of any employee who works less than four days in a calendar month.

"The company agrees that the voluntary checkoff of dues, initiation fees and assessments is a condition of employment. The company shall request all new employees to sign checkoff cards."

A maintenance of membership agreement of a New England manufacturing company and an independent union signed before August 23, 1947, says: "Each employee who is a member of the union shall so authorize such deductions [checkoff of dues]."

(19) "As a matter of convenience and protection to employees, the company and the union, the company will make payroll deductions of union's monthly dues as they from time to time become payable to the union from its members who have hitherto signed, or may hereafter sign, individual authorizations for such deductions in form satisfactory to the company which are or will be on file with the company. Such deductions shall be made by the company from the last payroll of each month. Each employee who is a member of the union shall so authorize such deductions. All such dues so deducted shall be remitted to the treasurer of the union on or before the fifteenth day of the month following said deductions."

VOLUNTARY IRREVOCABLE CHECKOFF

The checkoff authorization form under year-to-year voluntary irrevocable checkoff clauses generally empowers the employer to deduct union dues for one year, or the termination of the contract, whichever is sooner. It also says that at the termination date, or at the end of the year, the worker can revoke this checkoff authorization during a fifteen-day period; if he does not do so, the checkoff authorization goes into effect for another year. Thus, if the worker takes no specific action, his checkoff authorization continues indefinitely. Labor relations attorneys and highly placed governmental authorities say that they believe this type of checkoff is illegal; that the employer needs new checkoff forms each time the contract expires, or a year is completed.

An example of a voluntary irrevocable year-to-year checkoff occurs in the contract of an eastern manufacturer and an independent union.

(20) "When any employee, either a present or future member of the union voluntarily certifies in writing that he authorizes union dues deductions, such deductions will be made by the company once each month during the life of this contract, and paid monthly to the union, subject to the right of any employee to revoke said authorization between July 1 and July 15, 1948. The form to be signed shall be substantially as follows:

"To [Company]

"I hereby authorize you to deduct from my wages the sum of \$. per month and remit said sum to the union as my membership dues. I understand that in authorizing this deduction I may not withdraw such authorization except during the period of July 1 to July 15, 1948 inclusive, of each year that the contract of which this is a part is in effect and that if I revoke this authorization during such period I must send a written notice to that effect to the union and a copy to the company.

"Signed

"Rate

Witness

.....

"The dues deduction shall be made from the payroll payable on the first week of each month and shall be paid on or before the fifteenth of the same month to the [union]."

"The union shall, immediately after the aforesaid date, furnish the company with a notarized list of its members in good standing as of that date.

"If a dispute arises as to whether an employee (1) was a member of the union on the date specified above, or (2) was intimidated or coerced into joining or refraining from joining, or continuing his membership therein, such dispute shall be considered a grievance to be settled under the procedure prescribed by article . . . of this agreement."

The voluntary irrevocable checkoff is the most popular type of checkoff. It is legal under the Taft-Hartley Act if the employer has a written authorization from each worker to be checked off and this authorization is not irrevocable for longer than the life of the contract, or for one year, whichever is sooner.

The voluntary irrevocable checkoff may be used in conjunction with some form of NLRB-authorized union security, such as union shop, or it may stand alone. If it stands alone it is known as a maintenance of dues clause.

An agreement between an eastern manufacturer and a CIO union provides a good example of a voluntary irrevocable checkoff. The clause says that resignation of a worker from the union shall not affect the continuation of his dues deduction and that his resignation does not affect his status as an employee:

(21) "The company agrees that it will deduct union dues from the pay of each employee who in writing, in accord-

ance with the authorization form attached, voluntarily authorizes the company to do so for the period covered thereby, and will forward the total amount thus deducted to the official designated in writing by the union to receive the same. The authorization for such deductions shall be in accordance with the form attached.

"The resignation of an employee from membership in the union shall not relieve him of his obligation for union dues deductions in accordance with the authorization signed by the employee nor shall it affect his status as an employee of the company.

"To [Company]

"I,

"Clock Number
Department, in accordance with the terms of the agreement dated, between (CIO union) and the company, hereby authorize the company to deduct from my earnings beginning with the date hereof and continuing for one calendar year therefrom or to the termination date of the above-mentioned collective agreement, whichever occurs sooner, monthly union dues in the amount prescribed from time to time by the unions international constitution.

"The union agrees that one of its accredited officials shall certify in writing to the company the monthly dues that may be established from time to time by the union's international constitution.

"I direct the company to pay over to the duly designated union official the amount so deducted.

"If I have not worked during the pay period from which a deduction shall have been made, the union dues in arrears only for the month immediately preceding the month in which the deduction is made shall be deducted from my pay.

"The foregoing deductions shall be made from the first pay check after the first of each month from the date hereof.

"Date Signature"

The voluntary irrevocable checkoff of an employers association and a CIO union provides for transfer and honoring of the checkoff authorization from one employer member of the association to another. It also prohibits checkoff of assessments and back dues.

(22) "Upon the filing with the office of the treasurer of the member mill of a written request for such deduction, signed by the individual employee, the member mill will, during the full term of this agreement and any extension or renewal thereof, deduct weekly from the wages of each employee who is a member of the union, union membership dues in such amounts as shall be fixed pursuant to the by-laws of the local and the constitution of the union. The total amount so deducted during each month shall be remitted to the union or its designee, not later than the tenth day of the succeeding month. The form of such written requests for the deduction of dues shall be as set forth in exhibit 'B' appended to this agreement.

"No deduction under a checkoff authorization shall be made on account of assessments or back dues.

"Should any employee who has signed a checkoff authorization leave the employ of any member mill for any reason, his signed checkoff authorization card shall be delivered by the member mill to its association which shall, upon notice from the union, deposit same with any member mill of either association which shall thereafter employ said employee, and such member mill shall comply with the terms of this subsection and the checkoff authorization card.

"I, the undersigned, hereby accept membership in the [union] and authorize and direct any member of the [employer association] which is or hereafter shall be my employer, to deduct from my pay union membership dues in the amount fixed pursuant to the constitution and by-laws of my union, and to forward same to the [union], or its designee, while I am an employee of the employer named below or any member of either above named associations and the union is the recognized collective bargaining agency.

| | |
|-----------------------|-----------------------|
| | |
| Signature of employee | Department |
| | |
| Address | Mill |
| | |
| Witness | Social Security No.'" |

A voluntary irrevocable checkoff clause in a New England manufacturer's contract with a CIO union goes into great detail. It requires that the worker's signature to the checkoff authorization be witnessed. It also prohibits checkoff if the worker earns less than a specified amount a week.

(23) "Beginning with the first full regularly scheduled work week from and after receipt by the employer of an authorization in the form set forth in Section of this article voluntarily signed by an employee and continuing until termination of this agreement, the employer shall, subject to any applicable New Hampshire law to the contrary, deduct each week from the wages to which such employee is entitled for said week union dues in the amount of fifty cents. Subject to any applicable New Hampshire law to the contrary, the employer shall at its earliest convenience, but in no case later than fifteen days after the date of deduction, remit the amount so deducted to such union official as may be designated to the employer by the union in writing, such remittance to be by check made payable to Branch No. of the union.

"It is understood for the purposes of this article and of any such authorization that (a) no deduction shall be made in any week in which an employee is not entitled to receive any wages or is entitled to receive gross wages amounting to less than twelve dollars and if, for one of these reasons, a deduction is not made in any week, the deficiency is not to be subsequently made up or deducted by the employer; (b) no authorization is to be deemed valid or binding unless the employee's signature thereon has been witnessed by some other person known to the employer, and (c) an authorization signed by any employee shall be deemed canceled on

such employee's quitting the employ of the employer or being discharged by the employer or being transferred to a department or classification for which the union is not recognized to be the exclusive collective bargaining representative under Article hereof.

"In the event an employee so transferred is, during the term of this agreement, retransferred into a department or classification within the unit for which the union is recognized as the exclusive bargaining representative under article hereof, or in the event an employee so quitting or so discharged is rehired during the term of this agreement, such employee's authorization for deduction of union dues shall, upon notice thereof to the employer by the union, be deemed reinstated.

"The authorization referred to in section above must be in the following form to be printed in duplicate upon a duplex card, one part of which, when signed by an employee, is for filing with the employer, and the other part for retention by the union:

"[Company]

"I, the undersigned employee of [company], Clock No., Department, hereby voluntarily authorize the above-named company to deduct from my future wages for each week beginning with the first full work week after receipt hereof by the company, the sum of fifty cents per week (except for any week in which my gross weekly wages amount to less than twelve dollars for union dues, and direct that all amounts so deducted be paid over to [CIO union].

"The foregoing shall be irrevocable so long as the agreement between the company and said union dated, 1947 remains in effect. A copy of said agreement has been furnished to and read by or to me.

"Dated this day of, 194...

".....
Signature of Employee

"Signed in the presence of:

....."
Witness

A New England manufacturing company's contract with a CIO union provides for two types of checkoff authorizations, revocable, and irrevocable. Checkoff authorizations signed before the date of the contract are revocable. Those signed after the effective date are irrevocable for a year. After that they continue but are revocable.

(24) "1. All union dues check-off cards (yellow cards) signed prior to midnight, August 1, 1947, by employees who are active on the effective date of the agreement will remain in effect after that time as revocable checkoff authorizations. They may be terminated by the signer at any time after midnight, August 1, 1947.

"2. After midnight, August 1, 1947, the union may supply 3" x 5" dues checkoff cards (cards of distinctive color) acceptable to the company which meet legal requirements. Such cards when properly signed and filed in, will authorize the company to deduct union dues of \$1 per month and will be irrevocable until midnight, Au-

gust 1, 1948. Thereafter, they will be revocable authorizations, and have the status outlined in paragraph 1 above.

"3. After midnight August 1, 1948, the union may supply dues checkoff cards (cards of distinctive color) acceptable to the company which meet legal requirements. Such cards, when properly signed and filled in, will authorize the company to deduct union dues of \$1 per month and will be irrevocable until midnight August 1, 1949.

"4. Employees wishing to terminate a revocable checkoff may do so by notifying the company of their wish in writing. Terminated checkoffs will stop at the end of the month in which the company receives notification.

"5. A company check for union dues deducted in one month will be mailed to the secretary of the local during the next following month.

"6. If an employee signs an irrevocable checkoff card as provided in paragraphs 2 or 3 above, that act will immediately terminate any revocable checkoff that is effective against his pay.

"7. Union dues may be increased or decreased by action of the union membership. In such event, the company will deduct the new amount each month from employees who have signed dues checkoff cards as provided in paragraphs 2 and 3 above, starting with the month following the date it receives written notification from the secretary of the local union."

VOLUNTARY REVOCABLE CHECKOFF

The voluntary revocable checkoff is also very popular in post Taft-Hartley contracts. Of 230 such contracts, fifty-five contained a voluntary checkoff clause. (See Table 2.) This type of clause provides for checkoff upon the worker's written authorization. He can revoke it in writing at any time. It is legal under the Taft-Hartley Act.

To revoke his voluntary checkoff, a worker under a southern textile firm's contract with a CIO union must notify the company by registered mail.

(25) "Upon the receipt of a voluntary authorization from an employee member of the union, which shall be in writing and signed by the employee and witnessed, so long as the authorization is not revoked, the company will, until August 31, 1948, deduct each week from the payroll of said employee his weekly dues to the union.

"If an employee desires to revoke such union dues deductions authorization, he shall have the right to do so, and shall notify the company in writing by registered mail, which writing shall be dated and signed by the employee.

"The company agrees that it will, immediately upon receipt of such notice of revocation, forward a copy to the union."

Under a New England manufacturing company's agreement with a CIO union, the worker who wishes to withdraw his checkoff authorization must be a paid up member before he can do so.

(26) "The company agrees that any member of local . . . , CIO, may, upon written instructions to the company with

a copy to local . . . , request the company to deduct his union dues from his pay once each month, and the company agrees that such collected dues will be turned over monthly to the financial secretary of CIO, local . . . with full accounting thereof. It is understood that any union member may rescind such deduction instructions at any time provided the company is given written thirty days' notice with a copy to local . . . on a form provided for that purpose.

"Effective with the signing of this contract, but not including dues owed previous to the date of this contract, any member who wishes to withdraw must be a paid up member before he shall be allowed to withdraw."

An agreement between an AFL union and a western manufacturer in a community property state requires the signature of the wife on the checkoff authorizations of married employees.

(27) "The company agrees that so long as there shall be in effect and unrevoked a written assignment duly executed and acknowledged by the employee (and his spouse, if married) authorizing it so to do, it will deduct from the first pay of each month of such employee the union dues of such employee and promptly remit the same to the financial secretary of the union."

CHECKOFF OF DUES

The checkoff of union dues is provided in 100% of all contracts with checkoff clauses. The Taft-Hartley Act only specifically provides for "money deducted from the wages of employees in payment of membership dues in a labor organization." (Section 302 (c) (4).)

Following is an example of a simple type of checkoff for union dues only:

(28) "The company agrees to deduct the union dues from the second pay of each month. All members of the union must sign an authorization card for such deduction which is not in violation of state or federal law. The company will promptly remit the same to the union officer designated by the union."

Some union agreements limit the amount of union dues that the employer will check off.

(29) "Any employee who is a member of the union may request the company in writing to deduct from his earnings each month an amount for union dues, not to exceed \$1.50, or such other figure as is set by the constitution of the national union. Such request, except as provided in section (d) below, shall be effective for and may not be withdrawn during the life of this agreement.

"(b) Upon receipt of such written request, the company will make such deduction from the employee's pay for the first day period in each month in which he has sufficient earnings to cover same after deduction of taxes.

"(c) Deductions shall be remitted to the international secretary-treasurer of the union monthly.

"(d) Written requests executed prior to the date of posting of the list of membership referred to in section . . . of this article may be withdrawn by the employee by

notice sent to the company and to the union by registered mail within eight days after posting of said list, and must be postmarked not later than 11:59 p.m., July 18, 1947. Such written requests which are not so withdrawn shall remain effective and may not be withdrawn during the life of this agreement.

"(e) In recognition of the foregoing provisions of this section, the union on behalf of itself, its officers, and its members, agrees that there will be no solicitation of any kind during working hours or collection of funds for union purposes during working hours. Membership applications or requests for dues deduction may be accepted by a union member if in so doing it does not interfere with the work of the employees involved."

The following clause attempts to limit dues by saying the employer will check off dues "providing the dues are not considered to be an excessive amount by the National Labor Relations Board." The value of such a clause is doubtful as the Taft-Hartley Act does not give the board that power. The board does, however, have the power to limit initiation fees [section 8 (b) (5)] which the clause does not restrict.

(30) "The company will deduct from the employee's wages and turn over to the financial secretary of local . . . all dues and initiation fees levied by the local union and the international union of such members of the union as individually and voluntarily certify in writing that they authorize such deductions. Such deductions shall apply for the duration of this contract. These authorization cards shall be distributed by the union and the employees who sign such cards shall transmit same to the company through the financial secretary of the local. The following form will be used:

"I hereby request and authorize you to deduct the present amount of dollars, the monthly dues and to pay such monthly dues to the treasurer of local union . . . AFL. If such monthly dues rate should be changed and proof thereof is furnished the company, I hereby request and authorize you to deduct the amount of such dues from the date of the said declared change, providing the dues are not considered to be an excessive amount by the National Labor Relations Board.

"I hereby request and authorize you to deduct the present amount of dollars, the initiation fee and to pay such initiation fee to the treasurer of local union . . . AFL.

"I reserve the right to revoke this authorization one year from the date or contract termination, whichever should come first."

Hardly was the ink dry on the Taft-Hartley Act before John L. Lewis and his attorneys construed dues, as used in the act, to cover initiation fees and assessments. The checkoff clause reads:

(31) "The membership dues including initiation fees, and assessments of the United Mine Workers of America and its various subdivisions, as authorized and approved by the international union, United Mine Workers of America, shall be checked off the wages of the employees by the

operators covered by this contract and shall be remitted by the operators to the properly designated officers of the Mine Workers for distribution to its various branches. Such remittances shall be accompanied by an itemized statement showing the name of each employee and the amount checked off for dues, initiation fees and assessments together with a list of employees from whom dues, initiation fees and assessments have not been collected.

"In order that this section may become effective and operate within the limitations of the 'Labor-Management Relations Act, 1947' the Mine Workers hereby agree to furnish, with all reasonable dispatch, to the respective operators, and the operators agree to aid, assist and cooperate in obtaining written assignments from each employee so employed. Upon the presentation to the operators of such assignments in such reasonable form as time and circumstances, looking to the continuous and uninterrupted production of coal, may allow, said operators shall make deductions so authorized and deliver the same to the designated district officer of the Mine Workers or to such authorized representative as may be designated by the Mine Workers."

When the coal agreement was first signed there was considerable questioning as to whether initiation fees and assessments could be considered union dues. Certain members of Congress said they did not consider dues to cover initiation fees and assessments. But, at the same time, many labor attorneys came forward and said that, under a liberal interpretation, the word dues covers initiation fees and assessments.

Of 168 contracts signed since passage of the Act containing checkoff clauses, fifty-one, or 30.4% cover checkoff of initiation fees and twenty-seven, or 16.1%, cover assessments. (See Table 3.)

A simple type of initiation fee checkoff merely includes the fee in the general checkoff clause:

(32) "The company agrees that during the life of this agreement it will, on the first pay day of each month, deduct from the employee's wages union membership dues and initiation fees as specified on a written assignment or authorization card. The company agrees to pay the aggregate of such deductions to the financial secretary of the local union designated on the written signed assignment or authorization card, and at the same time furnish an itemized statement of these deductions." [*Agreements between a western company and a group of AFL unions.*]

The following clause limits the amount of the initiation fee:

(33) "For one year, or until the termination of this agreement, whichever occurs sooner, the company will deduct a union initiation fee of two dollars, and dues of one dollar and fifty cents a month, from the wages of employees in the unit who hereafter, voluntarily in writing, authorize the company to make such deductions." [*Agreement between a midwestern company and a CIO union.*]

Clauses authorizing the employer to deduct union fines from the workers' wages are relatively rare. Of 168 contracts signed since June 23, 1947, containing

checkoff clauses, only two, or 1.2%, have clauses covering checkoff of union fines. Some observers point out that a clause requiring checkoff of fines may make membership "not available to the employee on the same terms and conditions generally applicable to other members" (section 8 (a) (3) (A)). They, therefore, have serious doubts as to the legality of the employer deducting union imposed fines from a worker's wage. Clause 15 covers checkoff of fines.

JAMES J. BAMBRICK, JR.
Division of Personnel Administration

Labor Press Highlights¹

Labor Briefs

The International Brotherhood of Teamsters (AFL) has announced that it has more than a million members and is the largest union in the world.—*CWA Weekly News Letter* (Communications Workers of America-independent). . . . By-passing the Taft-Hartley Act, a wage agreement was reached by the International Typographical Union (AFL) and the Employing Printers Association of San Francisco without benefit of a union contract.—*Utah Labor News* (independent). . . . *The CIO News* reports that Britain's labor movement is at an all-time peak. Close to 8,750,000 unionists are members of 753 British trade unions. . . . The Moulders and Foundry Workers Union (AFL) has just signed its fifty-eighth contract with the Stove Manufacturers Protective and Development Association. The signing marks the fifty-seventh year of peaceful labor-management relations.—*The AFL News Service*. . . . N. H. Eagle, organizational director of the CIO Rubber Workers, in an article in the *United Rubber Worker* (United Rubber, Cork, Linoleum & Plastic Workers of America—CIO) has announced that CIO field staffs have taken over the job of organizing workers politically as well as economically.

JANICE F. PACHNER
Division of Personnel Administration

Finds Money Inflation Cause of High Prices

High prices are the result of an oversupply of money in relation to goods, according to *Labor's Monthly Survey*, official publication of the AFL. The supply of money has increased 200% since 1939 while the supply of goods is only 71% higher. The powers of the Federal Reserve System should be used, the article suggests, to prevent inflation by keeping money supply and credit in balance with production.

¹From the January labor press.

Political Ads To Test T-H Law

The AFL Connecticut State Federation of Labor and an AFL local union are challenging the legality of a section of the Taft-Hartley law prohibiting unions from making expenditures in political campaigns. *The Weekly Dispatch* (AFL) say that the local union has placed paid newspaper advertisements in the *Hartford Times* urging defeat of the Congress members who voted for the act.

CIO Says Overtime Raises Profits

Employers actually profit by paying overtime on a 44-hour week, according to the *United Automobile Worker* (UAW-CIO). Attacking the current campaign for legislation to establish a 44-hour straight time week, the article claims that the increased sales and profits resulting from the longer work week far outstrips the cost of time and a half for overtime.

Says Labor Law Violates Civil Rights

The legal committee of the Workers' Defense League has criticized six sections of the Taft-Hartley Act as containing "unjustified curtailments of labor's civil rights." *Work* (Catholic Labor Alliance) says that these sections are those that (1) restrict union political activity; (2) require union officials to sign non-Communist affidavits; (3) ban picketing in support of boycotts; (4) bar foremen from receiving union benefits; (5) require sixty-day strike notices; and (6) eighty-day cooling-off periods for national emergency strikes; and (7) the wording of the law on coercion.

Employees To Own Stock in Edison Firm

The 2,600 employees of the Thomas A. Edison Industries will share in the profits of their company through a \$1,200,000 cooperative economic experiment, according to *The Progressive Miner* (Progressive Mine Workers of America—Independent). Shares of stock, representing a 18% interest in Edison Industries, will be allocated to employees on the basis of length of service. The objective of this plan is the "fostering of cooperative ideas that will promote industrial harmony, good will, and friendship."

(For more details on this plan see *The Management Record* for November, 1947, p. 365.)

CIO Opposes Military Conscription

The CIO is opposed to peacetime compulsory military training, according to *The Sun* (Greater Cincinnati Industrial Union Council—CIO). A letter signed by CIO Legislative Director Nathan Cowen and Council's Director John Brophy gave four reasons for this opposition: It would not prevent war or provide adequate defense in an atomic war; the cost of foreign aid will be very costly; a nationwide health program would be more effective than peacetime conscription in building the health of the nation; and world peace can be better achieved by putting all efforts toward strengthening the United Nations and expanding the world labor movement.

Merit Awards for Outstanding Achievement

WHILE recognition of years of service with a company is a fairly common practice—THE CONFERENCE BOARD found in a recent survey of the personnel activities of 3,500 companies that a full third of them were awarding pins, rings, watches and such insignia to mark service periods—the merit award is encountered only infrequently. Merit award plans embrace public recognition of the unusual service performed by employees—achievement outside the line of regular duty—the special contribution to the welfare of the company.

Suggestion systems under which cash awards are given for specific ideas fall within this area. But they are not a substitute for

is hereby given

The J. L. KRAFT MERIT AWARD

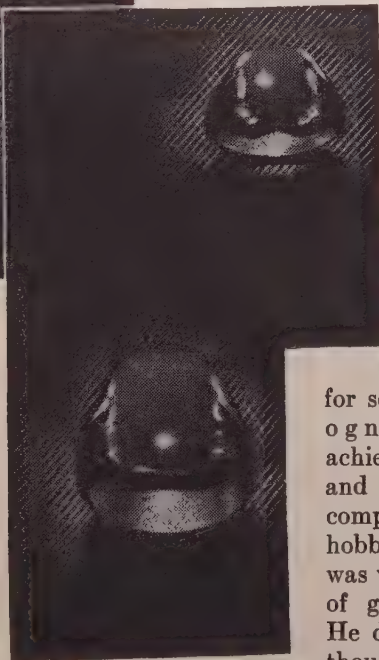
and is authorized to wear the ring of jade
which shall be a distinguishing mark of honor
in recognition of meritorious service

and unusual initiative



MERIT AWARD COMMITTEE OF THE

Kraft Foods Company



This certifies that
The President's
Honor Award
of a diamond ring has been
awarded to

for extraordinary and enduring
achievement in the service
of the Kraft Foods Company

SECRETARY

PRESIDENT

merit awards, which may recognize over-all performance as contrasted with single contributions and which are valued more for the honor attached to their presentation than to their monetary worth.

J. L. Kraft, founder of the Kraft Foods Company in Chicago, had pondered for some time about how to recognize fittingly outstanding achievements of some of the men and women employed by the company. Having developed a hobby of working in stones, he was well acquainted with the lore of gems and their significance. He decided that jade, which for thousands of years has been worn

as a symbol of special esteem, was his answer.

From his own collection he selected a perfect piece of jade and himself fashioned a ring which was the beginning, in 1933, of the J. L. Kraft Jade Ring Merit Award. Since then more than 1,000 of these rings have been awarded employees of the company. The jade in the rings being presented today is still selected from choice pieces of Mr. Kraft's private collection.

The dinner ring given to women and the ring of sturdy design for men, are shown in accompanying

illustrations, as is the certificate awarded at the time of their presentation. Both rings are made of sterling silver with gold trimming.

Length of service does not enter into consideration for the merit award, and all members of the Kraft organization are eligible to receive it. The company has a service award plan under which pins are awarded for ten, fifteen and twenty years of service, with gifts of watches marking the quarter-century goal. Whenever possible, if merit awards group themselves in a particular territory and are concurrent with service awards, an attempt is made to present them at a small function. Otherwise, merit awards are given at any time during the year when unusual performance warrants. There is no limit to the number that may be given. Types of achievement that have been considered worthy of awards are those that go beyond the normal performance of any individual's duties—the origination of new methods, new proc-

esses, and improvements in them—exceptional performance of a specific job.

In 1946, a President's Honor Award plan was added to the other award plans, this one to recognize "extraordinary achievement, on the part of those whose services have been of unusual and substantial value in the progress of the organization." A solitaire diamond ring with platinum mounting is the insignia, shown in an accompanying illustration with the certificate that is presented. Thus far, only one President's Honor Award has been made, to an employee who had made notable advances in cream cheese production. The President's Honor Award is to recognize the very highest type of achievement and initiative as contrasted with outstanding jobs, and thus the number of recipients will always be small compared with those who are honored with the jade merit awards.

GENEVA SEYBOLD

Division of Personnel Administration

Trends in Labor Relations

What Governs—State or Federal Law?

In addition to the Taft-Hartley Act, management and union negotiators in more than half the states have to consider state laws governing union security. Sometimes these laws are at variance.

For example, in New Hampshire, Philip Porter, Inc., the International Brotherhood of Teamsters (AFL) and the Commissioner of Labor were faced with the following problem. The employer and union negotiators had signed a contract containing a standard union shop clause; in holding an employee election to put this clause into effect, should they be governed by the union shop election provisions of the Taft-Hartley Act or of the New Hampshire Willey Act?

The Taft-Hartley Act says an employer and union can agree to a union shop if (1) the union is the duly authorized and certified representative of the workers in the appropriate bargaining unit and is not company dominated; and (2) by an NLRB-conducted election a majority of all the workers in the unit have authorized the union to sign a union-shop contract.

The Willey Act of New Hampshire says that an employer and union can agree to a union shop if two thirds of the employees voting (provided the two thirds constitute a majority of the workers covered by the contract) decide in favor of the union shop in an election conducted by the New Hampshire State Labor Commissioner.

The problem of whether federal or state law should govern was submitted to Ernest R. D'Amours, Attorney General of New Hampshire by the employer, the union and the State Commissioner of Labor. He gave the opinion that the state law applies to the contract.

The New Hampshire Attorney General based his opinion on the following reasoning:

"Section 14 (b) of the federal act (s. 164 (b), U.S.C.A.) provides that 'nothing in this act shall be construed as authorizing the execution or application of agreements requiring membership in a labor organization as a condition of employment in any state or territory in which such execution or application is prohibited by state or territorial law.' This section was obviously designed to permit states to outlaw all forms of compulsory unionism in any kind of business including those engaged in or affecting interstate commerce. Some will contend that this saving clause purports to empower the state to prohibit only, that and nothing less. That position is based upon too narrow an interpretation of the statute. Statutes are instruments of government and are not to be construed like rules of private law. They must be given a meaning which will make possible the accomplishment of their purpose. It seems apparent that the policy behind the federal saving clause was to leave with the states a residue of power in the field of labor management regulation on at least one particular point: the contractual provisions making union membership a condition of employment. Consequently, when Congress said that the federal act should not be invoked to prevent the states from prohibiting union membership as a condition of em-

ployment, it must have aimed at more than permitting flat prohibition only. If the object of the saving clause was to show that Congress did not preempt the field in this respect, the clause must be broadly construed to include qualified prohibition as much as outright prohibition. This conclusion is supported by the Congressional Conference Committee Report (H.R. 510, 80th Cong., p. 60) where the committee speaks of 'agreements contrary to state law' and of 'arrangements contrary to state policy.' Congress said that such agreements and arrangements although valid under federal law may be treated differently under state law. It appears that the federal policy is to permit the states to deal with union membership as a condition of employment either by way of absolute or qualified prohibition. The power to control the whole includes the power to control the parts."

Unions Signing No-strike Clauses

As a result of the article "Union Liability and No-Strike Clauses" in *The Management Record* of December, 1947, a number of inquiries have come in, regarding unions that have signed no-strike clauses.

An analysis of 185 contracts signed since passage of the Taft-Hartley Act show that ninety contracts contain clauses prohibiting or restricting strikes. But these contracts do not contain any clauses exempting the union from liability for violation of these clauses. The ninety clauses appeared in one or more of the contracts of the following international unions:

American Federation of Labor

United Automobile Workers of America
International Brotherhood of Boilermakers, Iron Ship Builders and Helpers of America
Building Service Employees' International Union
United Brotherhood of Carpenters and Joiners of America
United Cement, Lime and Gypsum Workers International Union
International Chemical Workers Union
International Brotherhood of Electrical Workers
International Union of Operating Engineers
International Glove Workers' Union of America
Laundry Workers' International Union
International Longshoremen's Association
International Molders and Foundry Workers Union of North America
Office Employees International Union
International Brotherhood of Paper Makers
Pattern Makers' League of North America
United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry
International Printing Pressmen and Assistants' Union
International Brotherhood of Pulp, Sulphite and Paper Mill Workers
Sailors' Union of the Pacific
International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America
United Textile Workers of America
Federal labor unions

Congress of Industrial Organization

United Automobile, Aircraft and Agricultural Implement Workers of America
United Electrical, Radio and Machine Workers of America
United Farm Equipment and Metal Workers of America
United Federal Workers of America
Food, Tobacco, Agriculture and Allied Workers Union of America
United Gas, Coke and Chemical Workers of America
Federation of Glass, Ceramic and Silica Workers of America
Amalgamated Lithographers of America
Industrial Union of Marine and Shipbuilding Workers of America
International Union of Mine, Mill and Smelter Workers
Oil Workers International Union
United Paperworkers of America
Retail, Wholesale and Department Store Union
United Rubber, Cork, Linoleum and Plastic Workers of America
United Shoe Workers of America
United Steelworkers of America
Textile Workers Union of America
Utility Workers Union of America
Industrial unions

Independent Unions

Associated Unions of America
International Association of Machinists
Mechanics Educational Society of America
United Mine Workers of America
National Federation of Salaried Unions
American Watch Workers Union

Two Individuals Represent Employees

Two individuals are acting as collective bargaining representatives of the employees of a Florida company. The agreements stipulates:

"Dade Drydock Corporation, a corporation for itself, hereinafter referred to as the company, and Eldo A. Clark and William F. Haegeman acting on behalf of themselves and all maintenance and production employees, time checkers, truck drivers, tool and store room checkers, and material checkers, as defined in the unit set forth in an election conducted by the National Labor Relations Board on October 14, 1947, referred to as the union, agree as follows:

"The company recognizes the union as the exclusive collective bargaining agent and will continue to recognize and deal with the union as the exclusive representative for the purpose of collective bargaining as to rates of pay, hours of work, and other terms and working conditions during the life of this agreement."

The company previously recognized Local 59 of the Industrial Union of Marine and Shipbuilding Workers of America, CIO, as collective bargaining agent. This CIO union was certified by the NLRB on October 24, 1944. But on September 11, 1947, the two individuals—Eldo A. Clark and William F. Haegeman

man—filed their representation petition for bargaining agent with the National Labor Relations Board. The NLRB held a consent election on October 14, 1947. The two individuals received 99% of the ballots cast. The employer bargained with a four-man negotiating committee that included these two men. Three days later, on October 17, 1947, the employer signed an agreement with the four-man negotiating committee.

The union-security provision of the new agreement with the four-man negotiating committee is a check-off clause that reads as follows:

a. The company will deduct from the wages of employee-union members on the first pay day of each month, and turn over to the proper officers of the local union, the union dues of such members of the union individually and voluntarily certifying in writing that they authorized such deductions.

b. Whenever an employee shall so request in writing, the employer will deduct from such employee's pay, the dues payable by such employee to the union, until receipt by the employer of a similar notice in writing from such employee, requesting the employer to discontinue said deductions. Each such request shall specify the amount or amounts to be deducted and the time or times at which payment shall be made to withdraw his request by similar notice in writing. The forms of such

requests and withdrawals shall be subject to the approval of the employer.

c. The company will honor authorizations for the deduction of dues from the wages of employee-members of the union upon receipt of such authorizations from the said employee in the following form:

VOLUNTARY WAGE DUES ASSIGNMENTS

Date....., 1947

To the Dade Drydock Corporation:

I hereby authorize you to deduct from my wages the sum of per month and remit said sum to the union as my membership dues. I understand that this assignment is voluntary.

.....
Signature

.....
Badge No.

.....
Witness

The previous CIO agreement provided for maintenance of membership. But the Taft-Hartley Act did not exist at the time of the signing of the CIO agreement.

JAMES J. BAMBRICK, JR.

Division of Personnel Administration

Should Retirement Be Compulsory?

MANY pension plans were adopted during the war years. A number of administrative problems have arisen, now that the plans have been operative for a few years, and many employees have become eligible to receive benefits. One of the most troublesome questions is that of compulsory retirement.

While the war was in progress, employers were glad to have their older employees continue working. With an influx of new and inexperienced workers, the skills and loyalty to the organization of the older workers were a very valuable asset. In this situation, the compulsory retirement provisions of retirement benefit plans tended to be ignored, and the workers came to believe that they were more honored in the breach than in observance.

ATTITUDE OF UNIONS

After the end of the war and with the easing up of the tight labor market, companies began to reexamine their pension policy and to take steps to reimpose the compulsory retirement provisions. Their decision met with the resistance of the individual worker and the union.

In many instances the union has taken the position

that the seniority rights of the older worker should be extended to the pension plan—that the worker himself should decide whether he should retire when he reached sixty-five.

There is also a division of opinion among employers as to whether compulsory retirement is desirable, or whether it might not be more advisable to handle each case individually.

Undoubtedly, at the beginning of any pension plan, compulsory retirement comes as a shock to many older people who have not made a psychological adjustment to retirement. After years of service they are unprepared to utilize this leisure time profitably

Table 1: Percentage of Companies with Pension Plans Requiring Compulsory Retirement

| Size of Establishment | Number of Companies with Pension Plans | Number of Companies with Compulsory Retirement Provisions | Per Cent of Companies with Compulsory Retirement Provisions |
|-----------------------------|--|---|---|
| Under 250 employees. . . . | 81 | 31 | 38.3 |
| 250-999 employees. | 138 | 44 | 31.9 |
| 1,000-4,999 employees. . . | 111 | 55 | 49.5 |
| 5,000 and over employees. . | 50 | 27 | 54.0 |
| Total. | 380 | 157 | 41.3 |

and enjoyably. A number of companies are now exploring the possibilities of aiding their older workers in making the necessary adjustments by encouraging them to develop hobbies and by providing them with recreational facilities.

On the other side of the picture, there is the fact that the prime objective of a pension plan is to retire employees who have passed their peak of efficiency and to open up avenues of promotion to younger employees. If retirement is on a discretionary basis, will not the purpose of the plan be defeated and lay the company open to the charge of favoritism or discrimination?

It is difficult to determine from the wording of many pension plans whether retirement is compulsory, because nearly all of them have escape clauses which permit the company to continue the services of individuals under unusual circumstances upon the

consent of top management or the board of directors. The strictness of interpretation of this clause may vary greatly from company to company.

As part of a survey of personnel practices, THE CONFERENCE BOARD asked whether retirement was compulsory under the company pension plan. Of the 380 companies with retirement benefit programs, 157, or 41.3%, indicated that retirement was compulsory when the employee reached the age of retirement.

When the statistics are analyzed by size of establishment, however, it is found that in companies with employment of less than 1,000 persons, a smaller proportion require compulsory retirement than is the case in companies with a personnel of over 1,000, where a half or more of the establishments have such provisions. This is understandable, as in the larger companies it is much more difficult to handle important problems on an individual basis. F. B. B.

Sales Incentives Based on Variable Factors

YORK Knitting Mills, Toronto, Canada, faced two major problems when it decided to overhaul its salesmen's compensation plan. The first obstacle arose when it was decided to replace the straight commission with a salary and bonus plan, the commission method having failed to meet a number of desirable objectives. A change of this kind necessitated the need for acceptance of an entirely new concept of sales compensation by both management and the sales force. The second obstacle arose when the company sought to apply certain factors to determine base pay and incentive earnings. These included cost of living, territory differentials, sale of profitable lines, quota attainment, general economic conditions, and those extraordinary circumstances for which special allowance must be made.

After two years of study, investigation, and conferences, the obstacles appear to have been overcome, for the company adopted its new plan January 1, 1948. The announcement of the change reveals the manner in which York Knitting Mills analyzed its problems and solved them. For the benefit of other companies which may be faced with similar problems, York's printed report is published herewith in its original form.

Remuneration Plan for York Knitting Mills' Sales Representatives To Become Effective January 1, 1948

Copy for [Individual Salesmen]

THE BACKGROUND

Some two years ago, we came to the conclusion that our

method of paying sales representatives required a major overhaul and that possibly it should be replaced by a completely new procedure. You were advised that a new plan was being considered and that it would be presented in due course.

Disadvantages of Old Plan

The reasons for our dissatisfaction with our old remuneration plan can be summed up under two headings:

1. There has been a definite trend among leading business concerns in the United States towards a type of remuneration plan which is usually referred to as salary and bonus. We knew enough about this type of plan to be able to appreciate its advantages over the straight salary or straight commission plans.

Our views concerning the importance and strength of this trend were amply confirmed by a report published some few months ago by the National Industrial Conference Board. The report is based on the results of a questionnaire dealing with salesmen's remuneration which was responded to by some 443 leading business concerns in the United States and Canada. It demonstrates clearly the increasing popularity of the salary and bonus plan.

2. There are rather serious disadvantages to the commission plan under which we have been operating:

It does not adequately relate earnings to the salesman's efforts.

In a period of bad business conditions, sales and hence commissions will decline sharply regardless of the salesman's efforts. Conversely, sales and earnings will increase in a boom period almost regardless of the kind of job the salesman is doing.

In a period of falling prices for our products, the salesman's earnings will fall off, while unit sales and the salesman's efforts may remain the same or even increase.

Conversely, earnings will rise in a period of rising prices. The significance of this point is underlined when it is recognized that, due to an extraordinary raw material situation, our costs and hence our prices may be falling or rising when prices in general and the salesman's cost of living are remaining stationary or even moving in the opposite direction.

It does not make adequate allowance for differences in traveling expenses in the various territories. In theory, this is taken care of by differences in rates of commission, but in actual practice the resulting adjustment is very crude. As a consequence, two salesmen may be doing equally good jobs and securing the same volume, but the net earnings of one may be a good deal larger than the other as a result of differences in traveling expense.

It does not make allowance for differences in economic and other conditions in the territories and hence it can be unfair to some salesmen. Two men might be doing equally good jobs but because one has a large, prosperous territory his income could be a good deal larger than the income of the man in the smaller, less prosperous territory. Granted there may be other factors to justify the difference in income but, under a straight commission plan, these differences can be out of all reason.

It does not provide direct compensation for various factors which benefit the company, but which may not result immediately in increased sales for the salesman and hence increased earnings. These factors include assistance in planning the ranges [merchandise lines], the creation of goodwill for the company, cooperation in advertising and merchandising programs, the measure of responsibility the territory entails and so forth.

It does not provide the sound basis we must have for long-range development of the sales territories. If a salesman takes on a new range, he will be compensated for his efforts in establishing it under the old commission plan only as sales develop. As a consequence, he may not build his distribution as soundly as he might if the need for immediate sales were not so pressing. A portion of a territory or a particular account may well have a long-range potential which would justify the salesman devoting a good deal of time to its development. With earnings being geared directly to sales volume, however, he may not be able to afford the time and expense involved in the development and both the salesman and the company suffer.

It does not make any provision for directing the salesman's efforts into those lines whose sale will most benefit the company and, in the long run, the salesman.

It does not provide the salesman with the much-to-be-desired security in basic 'take home' income. Conditions entirely beyond the salesman's control may drastically reduce his income and, conversely, fortuitous circumstances may increase his income.

We feel that the new plan eliminates these disadvantages while retaining all the advantages of the commission plan.

DEVELOPMENT OF THE PLAN

In building our new plan, we have drawn upon three sources for information and advice:

- a. Remuneration plans in operation in the United States.
- b. J. D. Woods & Gordon, Limited—industrial engineers.
- c. The personnel of this company.

It was apparent at an early stage that a plan would have

to be tailor made to fit our own particular requirements. Accordingly, we have used the remuneration plans of other companies only as a general guide for our thinking and we have not hesitated to consider thoroughly any new ideas which presented themselves. Some of these new ideas have been incorporated into our plan and we are satisfied they materially improve its over-all soundness and effectiveness.

During the past year we have worked away steadily, assembling our basic data and investigating the various alternative ways of handling different features of the plan. As we have progressed, the various interested officers of the company have met to consider the proposals. In this way, their advice has been made available and they have become fully conversant with the various implications of the plan.

If it is to operate satisfactorily, any salary and bonus remuneration plan must be solidly based on a sound market study. During the past year and a half we have completed studies of the market for the output of our Harvey-Woods Divisions and of the market for the output of our "wholesale" divisions. They provide the indispensable, sound basis for setting our sales objectives.

In the latter part of last year, the plan was presented to all our sales representatives and their criticisms and suggestions were invited. Out of that procedure came added confidence in the soundness of the plan. Suggestions were confined almost entirely to terminology in the presentation of the plan and many of the suggestions have been incorporated in what follows:

THE NEW PLAN

It will become effective on January 1, 1948.

Traveling Expense. Beginning January 1, 1948, the company will pay all the legitimate traveling and office expenses of sales representatives.

The salesman will be reimbursed for expenses incurred upon the submission of a simple statement. The periodicity of expense statements can be worked out to conform with the convenience of the individual sales representatives. Where it is required, the company will advance an appropriate sum of money at the first of each year to cover the interval between the incurring of expenses and receipt of the company's reimbursing check. Such advances will be repaid to the company at the end of the calendar year in which they are received.

Expense statements are to be submitted on a standard form of which a supply will be sent to you shortly. Details of expenses will not be required.

We have worked out a standard procedure for car expense, and details have been sent to you.

Base Salary. Beginning January 1, 1948, each salesman will be paid a base "take home" salary to be drawn in equal semimonthly instalments on the fifteenth and last day in each month. The salaries have been set after a careful study of the task and responsibilities in each territory, and of the salesman's qualifications in terms of such things as past performance, assistance in planning and developing ranges, the creation of goodwill for the company, years of service, and so forth.

At the first of each year, base salaries will be reviewed and adjustments will be made where there appears to be reason for them. Reason for change in base salary will include such things as the taking on of new ranges, progress in developing

the territory, the improvement of weak spots in the territory, and so forth.

At the first of each year also, base salaries will be revised upwards or downwards with significant changes in the cost of living. The mechanics of the changes will be as follows:

a. "Significant" changes are defined as changes of 5% or more in the Dominion Bureau of Statistics cost of living index since the date when base salaries were last revised to reflect cost of living change.

b. When it is called for, revision in base salaries will be by the percentage that the cost of living index has changed since the date when base salaries were last revised to reflect cost of living change. Base salary changes will be effective on January 1, and will not be retroactive to any earlier date on which significant change in the cost of living index may have occurred.

c. Revisions in base salary will be to the nearest \$50 per annum.

d. For each salesman an amount has been set below which base salary will not be adjusted regardless of how far cost of living may fall.

The desirability of tying base salaries to cost of living should be clear beyond question. If cost of living continues to move upward as most business analysts suggest it will for some time to come, existing base salaries will not buy as much and should be increased. It is "real" income rather than dollar income that matters to all of us. Under the plan, if cost of living is, say, 8% higher at January 1, 1949, than it was at January 1, 1948, base salaries will automatically be increased 8% beginning January 1, 1949. Similarly, base salaries will be adjusted downwards if cost of living falls.

The base salary is the minimum amount the salesman will receive, regardless of his sales volume. It is designed to recompense him for doing just a standard or average job on the territory, as defined below. Extra remuneration for doing something more than a standard job will be paid in the form of a bonus as set out below.

Sales Objectives. Each year a sales objective will be set for each major range of merchandise in each city or town in a territory which is considered a worth-while market for our lines. The sum of these objectives will be the over-all objective for the territory. The objectives will be based on the detailed market studies we have conducted during the past two years. So far as it is humanly possible to arrange it, the over-all objective will represent a job in the territory which is just standard or average in the light of:

a. The size of the territory and the income level of the people in it. Allowance will be made for special circumstances such as climate.

b. The probable economic conditions which will prevail in the year for which the objective is set.

c. The price level of our lines.

d. The ranges the salesman is handling.

Objectives will be changed from year to year only as there are changes in:

a. Economic conditions.

b. Price level of our lines.

c. The number and character of the ranges the salesman is handling.

d. The extraordinary circumstances for which special allowance has been made.

Objectives will not be revised simply because the salesman has demonstrated he can top the objective set. If objective is set at \$100,000 and the salesman sells \$125,000, objective for the next and each year thereafter will remain at \$100,000—assuming no change in economic conditions, price level of our lines, number and character of the ranges the salesman is handling, or in the extraordinary circumstances for which special allowance has been made.

The following points should be noted:

a. The sales objective will not be revised upwards as the salesman through his own efforts achieves a larger and larger volume.

b. With the sales objective being revised upwards and downwards with changes in economic conditions and price of our lines, the salesman has an equal opportunity to earn bonuses in good and bad years.

c. If a salesman takes on a new range of merchandise, his base salary will be revised to compensate him for doing an average or standard job on the range and the sales objective will be increased by an amount which represents what the salesman should secure by doing just a standard job. It should be kept in mind that base salary is related to the man and the task rather than to sales volume. As a consequence, base salary per dollar of objective in a new range will not necessarily be the same as previous base salary per dollar of previous sales objective. It may be more or it may be less.

In actual practice it will probably be possible to decide what is a fair base salary for handling a new range and what is a reasonable objective, only after we have had a year or possibly two years of actual experience with the range. Accordingly, it is quite possible that for the first year or two the sales representative will be given a flat fee for introducing the new range regardless of his sales volume. Under this interim arrangement, of course, there would be no sales objective and sales in the range would not be included in total sales for purposes of computing the progressive bonus.

d. Base salary is designed to compensate the salesman for doing just a standard job as represented by the achievement of the sales objective.

e. A bonus will be paid for achieving sales in excess of the objective. It is assumed that excess sales are the result of the salesman doing something better than a standard job and so he is entitled to extra remuneration.

Bonuses. There are two types of bonus, of which the second listed below is of major importance:

1. The company is interested in having a good job done in each territory on all its various ranges of merchandise. It is prepared to offer the sales representatives a special inducement to achieve this purpose.

Accordingly, the total sales objective for each territory will be split into separate objectives for the various major ranges of merchandise carried. In setting these "range" objectives, consideration will be given to the buying habits and other special circumstances peculiar to each territory. When a sales representative achieves his over-all sales objective for a year and in addition achieves the sales objective set for each of the major ranges he carries, he will be paid a bonus amounting to 5% of his base salary for the year.

Example

Base Salary—\$3,000

| | Sales Objective | Actual Sales |
|---|--------------------|-----------------|
| Men's and Boys' Winter Underwear..... | \$15,000 | \$20,000 |
| Men's and Boys' Summer Underwear..... | 15,000 | 15,000 |
| Men's Hose..... | 20,000 | 32,500 |
| All Lines..... | 50,000 | 67,500 |
| Bonus for achieving objective in all major ranges—5% of base salary—\$150 | | |

2. When a sales representative exceeds his over-all sales objective for a year (regardless of how he may do on any particular range of merchandise) he is paid a progressive bonus on his excess sales. Here is how it works:

The excess sales are the result of extra effort on the part of the salesman and he is entitled to extra income. Furthermore, the extra volume tends to contain a larger percentage of profit and the company is prepared to share that extra profit with the salesman.

Under a flat bonus procedure, the salesman in the above example would receive a bonus of:

$$\frac{17,500 \text{ (excess sales)}}{50,000 \text{ (sales objective)}} \times 3,000 \text{ (base salary)} = 35\% \text{ of } \$3,000 \text{ or } \$1,050$$

Under the progressive bonus procedure we have adopted, the salesman will receive a bonus in excess of the flat bonus and calculated in the above example as follows:

| | |
|--|---------|
| For the first 10% of excess sales (\$5,000 in our example), the progressive bonus is 120% of the flat bonus (\$300) or..... | \$ 360 |
| For the second 10% of excess sales (\$5,000 in our example), the progressive bonus is 140% of the flat bonus (\$300) or.... | 420 |
| For the third 10% of excess sales (\$5,000 in our example), the progressive bonus is 160% of the flat bonus (\$300) or..... | 480 |
| For the fourth 10% of excess sales (\$2,500 in our example), the progressive bonus is 180% of the flat bonus (\$150) or.... | 270 |
| For the fifth 10% of excess sales (nil in our example), the progressive bonus is 200% of the flat bonus (nil in our example) | |
| For all sales in excess of 150% of the objective, the progressive bonus is 200% of the flat bonus. | |
| In our example, for \$17,500 excess sales, the progressive bonus is..... | \$1,530 |

Hence salesman's total "take home" remuneration for sales of \$67,500 in our example is:

| | |
|---|---------|
| Base salary..... | \$3,000 |
| 5% bonus (for achieving objective in all major ranges)..... | 150 |
| Progressive bonus..... | 1,530 |
| Total..... | \$4,680 |

It should be noted that:

a. While the base salary sets a lower limit on what the salesman may earn, there is no upper limit. The bonus procedure gives the salesman every opportunity to increase his income indefinitely through his own efforts. Thus, the new plan retains in full measure the vital incentive factor.

b. The progressive bonus procedure enables the salesman to participate fully in the extra earnings created by his extra efforts. The rate of earnings per dollar of sales in the upper bonus bracket is double the rate in the base salary bracket.

The transition year of 1948. Quotas [allocation quotas] will be in effect on most of our ranges during 1948 and as a consequence there will be no point in setting objectives for them. Objectives will be set, however, for any ranges which are off quota.

Should objectives be set for some ranges a salesman carries and not for others (because they are on quota), the total objective for the territory, for purposes of calculating the progressive bonus, will be the sum of the objectives for the "off quotas" ranges and the actual amount shipped in the "on quota" ranges.

For purposes of the 5% bonus, the sales representative will be regarded as having achieved the objective for "on quota" ranges provided he does a reasonable, conscientious job of distributing his quotas.

A possible elaboration on the plan in 1949 or some subsequent year. What follows will not be part of the plan in 1948, but it may be introduced in 1949 or some later year.

For one or more of various reasons, such as their profitability, the company may be keener to push the sale of some lines than of others. Accordingly, some thought is being given to the adoption of a procedure (not before 1949) designed to enlist the support of the salesmen in this connection. If adopted, the procedure would operate along the following lines:

1. For purposes of this procedure, all our lines will be grouped in ranges. A "range" will be composed of a number of lines of the same general style and price class. Thus, men's fancy hose to retail at \$.75 might be one range, hose to retail at \$1 might be another range, and so on.

2. The lines in each range will be placed in one of three categories:

'A' for the lines whose sale we are keenest to promote.

'B' for the lines in the medium category.

'C' for the lines in the lowest category.

3. The salesman will be advised the category of all the lines he handles.

4. For each \$1 of sales in 'A' category lines, the salesman will be given a credit towards his sales objective of something more than \$1—possibly \$1.50.

For each \$1 of sales in 'B' category lines, the salesman will be given a credit towards his sales objective of something more than \$1—possibly \$1.25.

For each \$1 of sales in 'C' category lines, the salesman will be given a credit towards his sales objective of just \$1.

5. Because it will make a greater contribution to his sales volume and hence his bonus opportunities, the salesman will tend wherever it is possible and sound to do so, to push the sale of 'A' rather than 'B' or 'C' lines and of 'B' rather than 'C' lines.

6. The company will benefit as relatively more of its sales are in the higher category lines and the salesman will benefit through higher bonuses.

7. Objectives will be adjusted to conform with the extra sales credits that will be granted for 'A' and 'B' lines.

Example

Objective (in dollars shipped)—\$100,000.

Shipments into the territory in past years when we were selling freely have tended to be split (in this example) as follows:

| | |
|-------------------------|---------|
| 'A' category lines..... | 20,000 |
| 'B' category lines..... | 40,000 |
| 'C' category lines..... | 40,000 |
| | 100,000 |

If the salesman just reaches his objective in dollars shipped and does not improve upon the past allocation of sales between 'A',

'B', and 'C' category lines, he will receive a sales credit as follows:

| | Shipments | Sales Credits |
|-------------------------|-------------------------|---------------|
| 'A' category lines..... | 20,000 x $1\frac{1}{2}$ | gives 30,000 |
| 'B' category lines..... | 40,000 x $1\frac{1}{4}$ | gives 50,000 |
| 'C' category lines..... | 40,000 x 1 | gives 40,000 |
| | 100,000 | 120,000 |

Hence, in this example, the objective should be set at \$120,000 when the A-B-C device is in operation. The salesman will just reach his objective by doing a standard job. He will top it and earn a bonus if he either sells more actual dollars of goods or improves upon the past A-B-C relationship.

Example

Objective (in sales credit dollars)—\$120,000.

| | Shipments | Sales Credits |
|-------------------------|-------------------------|---------------|
| 'A' category lines..... | 30,000 x $1\frac{1}{2}$ | gives 45,000 |
| 'B' category lines..... | 44,000 x $1\frac{1}{4}$ | gives 55,000 |
| 'C' category lines..... | 40,000 x 1 | gives 40,000 |
| | 114,000 | 140,000 |

The salesman has topped his objective by \$20,000 (\$140,000 less 120,000) and is bonused accordingly.

It should be noted that, to benefit from this A-B-C device the salesman must simply improve upon the past A-B-C relationship in his own territory. Thus, the opportunity to earn extra bonuses tends to be the same in all territories.

There will be many thorny problems to overcome in implementing this very desirable elaboration on our remuneration plan. It is hoped that they can be successfully solved during the year ahead so that lines can be classified 'A', 'B', or 'C' for 1949.

The actual report concluded with a short section on income tax procedure to be followed by the company's salesmen. However, since the procedure applies to Canadian regulations it has been omitted from this article.

ELMER W. EARL, JR.

Division of Personnel Administration

College Graduates for Industry¹

BETWEEN now and the end of June, one thousand or more business firms will recruit more than ten thousand new college graduates for training and for all types of employment. The colleges and universities are producing a bumper crop of graduates, and there are indications that a record number of companies are going to take advantage of the situation to add to their personnel.

Since the war, many companies have been rebuilding their reserves of technical and junior-management personnel. Most of the training programs for college graduates are in these areas. A third important area is sales.

THEY TEND TO STAY

The retention rate for college graduates who have had the special company training is extremely favorable. Many companies with ten or more years of experience in college training work state that 75% to 100% of their graduates are still on the job.

The most popular recruitment source is the college placement office. Some companies like to work through individual faculty members. Other sources are employment agencies, advertisements, and professional societies.

Colleges most frequently visited for recruitment are Purdue, Massachusetts Institute of Technology, Illinois, Ohio State, Michigan, Yale, Cornell, Harvard,

¹THE CONFERENCE BOARD will shortly publish a report, telling how 142 companies are recruiting and training college graduates for important jobs within their organizations. The report will include a discussion of the problem as viewed by sixty college placement officers. Some of the highlights from the full study are contained in this article.

Carnegie Institute of Technology, Northwestern, Columbia, Minnesota, Pennsylvania and Pittsburgh.

A representative of the company's personnel department is usually selected to visit the colleges and carry on the initial recruiting activities. Later, candidates who look good and who are interested may be invited to visit the company and talk with several officers and department heads.

SELECTING THE BEST

A majority of the companies carrying on these programs prepare attractive illustrated booklets which describe their organizations and the opportunities open in them for ambitious and qualified individuals. These booklets ordinarily are distributed freely to college officials and to applicants, and they serve to supplement the information supplied directly by the company recruiter.

Sixty of the 142 companies employ psychological tests as part of the selection process. The Otis and Wonderlic intelligence tests, the Strong interest test, and the Bernreuter and Kuder personality tests are used most frequently.

Most companies go after the cream of the crop, but fortunately for the companies, as well as for the graduates, there is not complete agreement as to what constitutes the cream. Asked to rate the importance of a list of personal qualities, the companies rated character, intellect, and personality in that order. Chief reliance was placed on the interview for appraising these qualities. The scholastic record of the candidate was also considered important.

Training periods are reported varying in length

from seven weeks to five years. In the average company, training continues for twelve to eighteen months.

JOB TRAINING

On-the-job training is emphasized and classroom training is kept to a minimum. Three companies in four require written reports from trainees. Special training methods and practices advocated by one or more companies include:

1. Inviting trainees to all meetings of foremen;
2. Using visual aids freely;
3. Requiring oral reports for practice in public speaking;
4. Using small-scale models of the plant to help with orientation, to show flow of materials, etc.;
5. Assigning a preceptor (company worker) to each trainee to get the advantage of the coaching type of instruction.

Since 1940, salaries paid trainees have increased about \$100—from approximately \$140 to \$240 a month. Some companies are paying as high as \$300 to \$400 for engineering graduates, chemists and others with special training. Most companies give automatic or merit increases during the training period, and a majority also grant a raise at the completion of the course.

Seventy-eight of the 142 companies admit regular employees to the college-graduate training courses. Usually, the ratio of company employees to college graduates is one in four, or less. Employees admitted are selected chiefly on the basis of an outstanding record in the company. For the most part, they are less than thirty years of age and have had at least a high school education.

The placement of the trainee in a regular job may be determined at the time of recruitment or during the training period—but more often no decision is made until the training has been completed. The preferences of the individual as well as the needs of the company are considered in making the placement. Also, the wishes of department heads may have much to do with placement.

Three of the sixty college placement officers say that 2,000 or more different business firms approached them for graduates in 1947. The average was about 300. Of these, seventy to eighty sent representatives to the campus. (It should be noted that these figures are representative of the larger schools.) The reporting colleges state that they placed about 90%

of their 1947 male graduates. Some placement officers now report three job opportunities for every registrant. It is believed that the demand for 1948 graduates will be about as heavy as the record demand of 1947.

Two placement officers in three make company visits. If time and college budgets permitted, almost all the others would do so too. There is a strong desire on the part of college placement officers for closer relations with industry.

The placement function is centralized in most colleges today although the older practice of relying on informal contacts between the company and the college faculty still persists. Many company representatives supplement the information obtained at the placement office by direct visits with certain professors or deans.

BIG NAMES ATTRACTIVE

Placement officers report that college seniors show some preference for companies with training programs. There is also a slight preference for big-name companies. Many older seniors seem anxious to get started on a definite job which does not require an extended training period.

Company recruitment practices favored by the colleges include:

1. Preparing descriptive booklets for college distribution;
2. Outlining employment needs in advance of college visit;
3. Employing college undergraduates during vacation periods and hiring best workers on full-time basis after graduation.

Company recruitment practices regarded unfavorably include:

1. Asking to interview only the "top 10%," only campus leaders, etc.;
2. Dropping in without advance notice to interview applicants;
3. Seeking permission to address all seniors in a group meeting. (But this practice is favored in some schools.)

April and May are the busiest months for college placement officers.

Few colleges make careful follow-up studies of their graduates but many would like to cooperate with industry in evaluating the effectiveness of their placement work and of industry's training programs.

STEPHEN HABBE

Division of Personnel Administration

SIGNIFICANT LABOR STATISTICS

Source: THE CONFERENCE BOARD, unless otherwise indicated

| Item | Unit | 1947 | | | | | | Year Previous | Percentage Change | | |
|--|--------------------|--------|---------|---------|---------|---------|---------|---------------|---|---------------------------------|--|
| | | Dec. | Nov. | Oct. | Sept. | Aug. | July | | Latest Month over Previous Month ¹ | Latest Month over Year Previous | |
| Clerical salary rates | | | | | | | | | | | |
| Billing machine operator..... | mode in dollars | ..... | ..... | 35 | ..... | ..... | ..... | ..... | ..... | ..... |  |
| Calculating machine or Comptometer oper. | mode in dollars | ..... | ..... | 35 | ..... | ..... | ..... | ..... | ..... | ..... |  |
| Office boy or girl..... | mode in dollars | ..... | ..... | 28 | ..... | ..... | ..... | ..... | ..... | ..... |  |
| Stenographer..... | mode in dollars | ..... | ..... | 40 | ..... | ..... | ..... | ..... | ..... | ..... |  |
| Telephone switchboard operator..... | mode in dollars | ..... | ..... | 40 | ..... | ..... | ..... | ..... | ..... | ..... |  |
| Senior copy typist..... | mode in dollars | ..... | ..... | 40 | ..... | ..... | ..... | ..... | ..... | ..... |  |
| Consumers' Price Index | | | | | | | | | | | |
| Food..... | 1923=100 | 168.5 | 165.3 | 163.6 | 164.6 | 159.4 | 155.8 | 149.3 | +1.9 | +12.9 | |
| Housing..... | 1923=100 | 95.5 | r 94.8 | r 94.8 | 91.0 | 91.0 | 91.0 | 91.0 | +0.7 | +4.9 | |
| Clothing..... | 1923=100 | 110.2 | r 109.7 | 108.9 | 108.4 | 107.6 | 107.2 | 105.8 | +0.5 | +4.2 | |
| Men's..... | 1923=100 | 126.4 | r 125.8 | 125.0 | 124.3 | 124.4 | 124.2 | 121.0 | +0.5 | +4.5 | |
| Women's..... | 1923=100 | 94.0 | r 93.5 | 92.8 | 92.4 | 90.7 | 90.1 | 90.5 | +0.5 | +3.9 | |
| Fuel and light..... | 1923=100 | 108.5 | 108.1 | 107.1 | 106.5 | 106.0 | 102.4 | 100.3 | +0.4 | +8.2 | |
| Electricity..... | 1923=100 | 66.8 | 66.8 | 66.8 | 66.7 | 66.6 | 65.4 | 66.9 | 0 | -0.1 | |
| Gas..... | 1923=100 | 95.0 | 95.0 | 95.0 | 95.9 | 95.0 | 95.0 | 94.5 | 0 | +0.5 | |
| Sundries..... | 1923=100 | 133.0 | 131.6 | 130.8 | 129.9 | 129.5 | 129.1 | 125.9 | +1.1 | +5.6 | |
| All items..... | 1923=100 | 133.6 | r 131.9 | 130.9 | 130.2 | 128.2 | 126.6 | 123.2 | +1.3 | +8.4 | |
| Purchasing value of dollar..... | 1923 dollars | .749 | r .758 | .764 | .768 | .780 | .790 | .812 | -1.2 | -7.8 | |
| All items (BLS)..... | 1935-39=100 | 167.0 | 164.9 | 163.8 | 163.8 | 160.3 | 158.4 | 153.3 | +1.3 | +8.9 | |
| Strikes (BLS) | | | | | | | | | | | |
| Beginning in period..... | number | p 120 | p 150 | 175 | 200 | r 335 | 800 | 168 | -20.0 | -28.6 | |
| Workers involved..... | thousands | p 30.0 | p 45.0 | 60.0 | 75.0 | r 110.0 | r 250.0 | 76.0 | -33.3 | -60.5 | |
| Total man days idle..... | thousands | p 500 | p 700 | r 1,900 | 2,000 | r 2,500 | r 4,000 | 3,127 | -28.6 | -84.0 | |
| Turnover rates in manufacturing (BLS) | | | | | | | | | | | |
| Separations..... | per 100 employees | ..... | p 4.0 | 5.0 | 5.9 | 5.3 | 4.6 | 4.9 | -20.0 | -18.4 | |
| Quits..... | per 100 employees | ..... | p 2.7 | 3.6 | 4.5 | 4.0 | 3.1 | 3.7 | -25.0 | -27.0 | |
| Miscellaneous..... | per 100 employees | ..... | p .1 | .1 | .1 | .1 | .1 | .1 | 0 | 0 | |
| Discharges..... | per 100 employees | ..... | p .4 | .4 | .4 | .4 | .4 | .4 | 0 | 0 | |
| Layoffs..... | per 100 employees | ..... | p .8 | .9 | .9 | .8 | 1.0 | .7 | -11.1 | +14.3 | |
| Accessions..... | per 100 employees | ..... | p 4.7 | 5.5 | 5.9 | 5.3 | 4.9 | 5.7 | -14.5 | -17.5 | |
| Wage Earners | | | | | | | | | | | |
| All manufacturing industries (BLS) | | | | | | | | | | | |
| Earnings, hourly..... | average in dollars | ..... | 1.268 | 1.257 | 1.249 | 1.237 | 1.230 | 1.139 | +0.9 | +11.3 | |
| weekly..... | average in dollars | ..... | 51.31 | r 51.00 | r 50.47 | 49.19 | 48.98 | 45.79 | +0.6 | +12.1 | |
| Hours per production worker..... | average per week | ..... | 40.5 | r 40.6 | 40.4 | 39.8 | 39.8 | 40.2 | -0.2 | +0.7 | |
| Twenty-five manufacturing industries | | | | | | | | | | | |
| Earnings, hourly..... | average in dollars | ..... | 1.395 | 1.386 | 1.383 | 1.367 | 1.354 | 1.243 | +0.6 | +12.2 | |
| weekly..... | average in dollars | ..... | 56.78 | 56.60 | 55.96 | 54.29 | 53.61 | 50.14 | +0.3 | +13.2 | |
| Hours per production worker..... | average per week | ..... | 40.8 | 40.9 | 40.5 | 39.7 | 39.7 | 40.4 | -0.2 | +1.0 | |
| Employment..... | 1923=100 | ..... | 128.6 | 127.9 | 127.6 | 126.2 | 125.5 | 125.8 | +0.5 | +2.2 | |
| Total man hours..... | 1923=100 | ..... | 106.6 | 106.3 | 105.0 | 101.8 | 101.3 | 103.3 | +0.3 | +3.2 | |
| Payrolls..... | 1923=100 | ..... | 274.4 | 272.0 | 268.3 | 257.4 | 252.9 | 237.0 | +0.9 | +15.8 | |
| Wage-rate increases..... | average per cent | 7.5 | 6.4 | 4.9 | 5.9 | 6.9 | 7.4 | 7.9 | ..... | ..... |  |
| Production workers affected..... | per cent | 1.1 | 4.6 | 1.9 | 2.9 | 3.9 | 4.8 | 1.8 | ..... | ..... |  |
| Manufacture and distribution of gas | | | | | | | | | | | |
| Earnings, hourly..... | average in dollars | ..... | ..... | ..... | ..... | ..... | a 1.261 | 1.126 | ..... | +12.0 | |
| weekly..... | average in dollars | ..... | ..... | ..... | ..... | ..... | a 53.12 | 47.13 | ..... | +12.7 | |
| Hours per wage earner..... | average per week | ..... | ..... | ..... | ..... | ..... | a 41.5 | 41.3 | ..... | +0.5 | |
| Generation and distribution of electricity | | | | | | | | | | | |
| Earnings, hourly..... | average in dollars | ..... | ..... | ..... | ..... | ..... | a 1.395 | 1.277 | ..... | +9.2 | |
| weekly..... | average in dollars | ..... | ..... | ..... | ..... | ..... | a 60.94 | 54.84 | ..... | +11.1 | |
| Hours per wage earner..... | average per week | ..... | ..... | ..... | ..... | ..... | a 42.7 | 42.4 | ..... | +0.7 | |
| Class I railroads² | | | | | | | | | | | |
| Earnings, hourly..... | average in dollars | ..... | ..... | 1.288 | 1.293 | 1.176 | 1.170 | 1.175 | -0.4 | +9.6 | |
| weekly..... | average in dollars | ..... | ..... | 64.96 | 64.05 | 58.27 | 57.82 | 59.42 | +1.4 | +9.3 | |
| "Real" weekly earnings..... | 1923=100 | ..... | ..... | 167.3 | 165.8 | 153.3 | 153.9 | 166.9 | +0.9 | +0.2 | |
| Hours per wage earner..... | average per week | ..... | ..... | 50.4 | 49.5 | 49.6 | 49.4 | 50.6 | +1.8 | -0.4 | |
| Agricultural wage rates per month³ (BAE) | | | | | | | | | | | |
| With board..... | average in dollars | ..... | ..... | 103.00 | ..... | ..... | 103.00 | 96.40 | 0 | +6.8 | |
| Without board..... | average in dollars | ..... | ..... | 97.80 | ..... | ..... | 98.70 | 91.40 | -0.9 | +7.0 | |
| ..... | average in dollars | ..... | ..... | 112.00 | ..... | ..... | 114.00 | 104.00 | -1.8 | +7.7 | |
| New York City metro. area, seventeen manufacturing industries | | | | | | | | | | | |
| Earnings, hourly..... | average in dollars | 1.431 | 1.439 | 1.438 | 1.401 | 1.389 | 1.378 | 1.293 | -0.6 | +10.7 | |
| weekly..... | average in dollars | 58.81 | 58.42 | 58.81 | 57.30 | 54.87 | 56.08 | 53.92 | +0.7 | +9.1 | |
| Hours per production worker..... | average per week | 41.1 | 40.6 | 40.9 | 40.9 | 39.5 | 40.7 | 41.7 | +1.2 | -1.4 | |

¹Changes in Agricultural Wage Rates are quarterly.
²Derived from Interstate Commerce Commission reports.

³As of first day of month.
aJune, 1947

pPreliminary

rRevised

Payroll Statistics in Manufacturing

SINCE DATA for the automobile industry were not available at the time of publication, averages for that industry and, consequently, for the composites of the twenty-five and twenty-seven industries surveyed regularly by THE CONFERENCE BOARD could not be compiled for the month of December. Payroll statistics for the twenty-four individual manufacturing industries as well as cement, petroleum, aircraft and shipbuilding for both December and November, are given in the accompanying tables. Necessary revisions are indicated.

Even though wage-rate increases, according to reports submitted in this survey, averaged only 0.1% for all production workers, average hourly earnings

rose in twenty-one of the twenty-four industries over the month. The silk industry led the list with a 2.2% gain; chemicals followed with a 1.8% gain; and both

Wage-rate Increases and Workers Affected

Source: THE CONFERENCE BOARD

| Date | 25 Manufacturing Industries | |
|--------------------|-----------------------------|--------------------|
| | Production Workers Affected | Wage-rate Increase |
| 1946 December..... | 1.8% | 7.9% |
| 1947 January..... | 4.1 | 8.6 |
| February..... | 3.4 | 10.6 |
| March..... | 1.5 | 7.0 |
| April..... | 6.8 | 7.2 |
| May..... | 18.5 | 9.1 |
| June..... | 8.6 | 8.7 |
| July..... | 4.8 | 7.4 |
| August..... | 3.9 | 6.9 |
| September..... | 2.9 | 5.9 |
| October..... | 1.9 | 4.9 |
| November..... | 4.6 | 6.4 |
| December..... | 1.1 | 7.5 |

EARNINGS AND HOURS, PRODUCTION WORKERS, DECEMBER, 1947

NOTE: Hourly earnings are not wage rates, because they include overtime and other monetary compensation

| INDUSTRY | Average Earnings in Dollars | | | | Average Hours per Week per Production Worker | | | |
|---|-----------------------------|--------------------|--------|--------------------|--|-------------------|---------|------|
| | Hourly | | Weekly | | Actual | | Nominal | |
| | Dec. | Nov. | Dec. | Nov. | Dec. | Nov. | Dec. | Nov. |
| Agricultural implement..... | 1.446 | 1.435 | 58.79 | 57.44 | 40.7 | 40.0 | 40.1 | 40.1 |
| Automobile ¹ | n.a. | 1.572 | n.a. | 61.40 | n.a. | 39.1 | 40.5 | 40.5 |
| Boot and shoe..... | 1.077 | 1.075 | 42.52 | 42.47 | 39.5 | 39.5 | 40.3 | 40.3 |
| Chemical..... | 1.462 | 1.436 | 58.05 | 56.84 | 39.7 | 39.6 | 40.3 | 40.3 |
| Rayon producing ² | 1.267 | 1.237 _r | 48.62 | 47.79 _r | 38.4 | 38.6 | 40.2 | 40.2 |
| Cotton—North..... | 1.138 | 1.131 | 47.20 | 46.55 | 41.5 | 41.1 | 42.1 | 42.0 |
| Electrical manufacturing..... | 1.423 | 1.420 | 59.12 | 58.43 | 41.5 | 41.2 | 40.3 | 40.3 |
| Furniture ³ | 1.362 | 1.361 | 57.14 | 57.80 | 41.9 | 42.5 | 41.9 | 41.8 |
| Hosiery and knit goods..... | 1.143 | 1.147 | 46.06 | 46.26 | 40.3 | 40.3 | 41.3 | 41.2 |
| Iron and steel ⁴ | 1.565 | 1.587 | 60.41 | 60.46 | 38.6 | 38.1 | 40.3 | 40.3 |
| Leather tanning and finishing..... | 1.335 | 1.331 | 55.72 | 55.20 | 41.7 | 41.5 | 42.0 | 42.0 |
| Lumber and millwork..... | 1.478 | 1.464 | 64.16 | 62.72 | 43.4 | 42.8 | 41.6 | 41.7 |
| Meat packing..... | 1.287 | 1.269 | 61.56 | 57.41 | 47.9 | 45.2 | 40.9 | 40.5 |
| Paint and varnish..... | 1.378 | 1.367 | 56.84 | 56.71 | 41.3 | 41.5 | 41.6 | 41.8 |
| Paper and pulp..... | 1.297 | 1.296 | 57.93 | 57.45 | 44.7 | 44.3 | 41.9 | 41.6 |
| Paper products..... | 1.217 | 1.212 | 51.86 | 50.96 | 42.6 | 42.0 | 42.3 | 42.4 |
| Printing—book and job..... | 1.559 | 1.548 | 64.87 | 63.55 | 41.6 | 41.0 | 41.0 | 41.1 |
| Printing—news and magazine..... | 1.763 | 1.772 _r | 71.09 | 71.64 _r | 40.3 | 40.4 _r | 39.8 | 39.8 |
| Rubber..... | 1.558 | 1.555 | 61.76 | 60.40 | 39.6 | 38.8 | 38.5 | 38.1 |
| 1. Rubber tires and tubes..... | 1.716 | 1.711 | 66.08 | 65.34 | 38.5 | 38.2 | 37.6 | 37.5 |
| 2. Other rubber products..... | 1.305 | 1.291 | 54.29 | 51.63 | 41.6 | 40.0 | 40.0 | 39.2 |
| Silk and rayon..... | 1.231 | 1.205 | 51.93 | 49.29 | 42.2 | 40.9 | 40.7 | 40.7 |
| Wool..... | 1.269 | 1.262 | 53.55 | 52.34 | 42.2 | 41.5 | 41.5 | 41.5 |
| 1. Woolen and worsted goods..... | 1.237 | 1.230 | 52.62 | 51.40 | 42.5 | 41.8 | 42.1 | 42.1 |
| 2. Other woolen products ⁵ | 1.313 | 1.306 | 54.80 | 53.62 | 41.7 | 41.0 | 40.6 | 40.6 |
| Foundries and machine shops..... | 1.421 | 1.410 | 58.60 | 57.33 | 41.2 | 40.7 | 41.0 | 40.9 |
| 1. Foundries..... | 1.434 | 1.427 | 59.24 | 57.63 | 41.3 | 40.4 | 40.5 | 40.5 |
| 2. Machines and machine tools..... | 1.405 | 1.396 | 59.01 | 57.81 | 42.0 | 41.4 | 41.1 | 41.1 |
| 3. Heavy equipment..... | 1.477 | 1.456 | 63.12 | 61.05 | 42.7 | 41.9 | 41.6 | 41.5 |
| 4. Hardware and small parts..... | 1.337 | 1.328 | 54.22 | 53.41 | 40.6 | 40.2 | 40.8 | 40.6 |
| 5. Other products..... | 1.423 | 1.416 | 57.13 | 56.29 | 40.1 | 39.8 | 40.7 | 40.7 |
| 25 INDUSTRIES..... | n.a. | 1.395 | n.a. | 56.78 | n.a. | 40.8 | 40.9 | 40.9 |
| Cement..... | 1.181 | 1.198 _r | 47.71 | 49.48 _r | 40.4 | 41.3 _r | 40.0 | 40.0 |
| Petroleum refining..... | 1.667 | 1.667 | 66.92 | 67.41 | 40.1 | 40.4 | 40.2 | 40.2 |
| 27 INDUSTRIES..... | n.a. | 1.397 | n.a. | 56.87 _r | n.a. | 40.8 | 40.9 | 40.9 |
| Aircraft..... | 1.436 | 1.427 | 58.07 | 56.84 _r | 40.4 | 39.8 | 40.1 | 40.1 |
| Shipbuilding..... | 1.538 | 1.494 | 60.12 | 58.26 | 39.1 | 39.0 | 40.3 | 40.2 |

See footnotes on page 83.

the meat packing and heavy equipment industries averaged slightly above 1%.

A comparison of averages of hourly earnings for the years 1946 and 1947 reveals a significant increase in each of the industries reviewed in this discussion. The greatest year-to-year rise—23.0%—was experienced by production workers engaged in news and magazine printing plants; the second largest—20.6%—by those in silk mills. The remaining advances ranged from 7.7% in the heavy equipment group to 17.3% in the lumber and millwork industry. With the exception of foundries, the subgroups under foundries and machine shops showed the smallest percentage gains from 1946 to 1947.

Similarly, the average weekly earnings of production personnel in these latter four industries increased the least of the twenty-four over the year period. The smallest of these rises was 6.9% and took place in the hardware and small parts group. The iron and steel industry registered the greatest yearly increase, averaging \$11.45, or 24.4%, more per week in 1947 than in 1946. The meat packing and news and magazine printing industries followed closely, showing gains of 22.5% and 21.8%, respectively, during this period.

From November to December, average weekly earnings rose in twenty of the industries and declined

in four—furniture, hosiery, iron and steel, and news and magazine printing. Those employed in the latter three industries were the only ones to also receive lower hourly returns in December.

HOURS

The movement of average hours worked by production workers in 1946 and 1947 differed from that of hourly and weekly earnings. Earnings rose in each of the twenty-four industries over the year, but hours declined in the majority of cases during this same period. Fifteen industries averaged a shorter work week, which ranged from 0.3% less in boot and shoe plants to 3.6% less in book and job printing establishments. The range of increases among the remaining nine industries, however, was much steeper. Its low point was 0.2% in electrical manufacturing plants; its high point was 10.9% in iron and steel foundries.

In the month period from November to December, 1947, the length of the work week was increased in nineteen of the individual industries and decreased in three—furniture, paint and varnish, and news and magazine printing. No change was registered in the average number of hours worked in hosiery and boot and shoe plants.

EARNINGS, EMPLOYMENT, MAN HOURS, AND PAYROLLS, PRODUCTION WORKERS, DECEMBER, 1947

Index Numbers, 1923=100

NOTE: Hourly earnings are not wage rates, because they include overtime and other monetary compensation

| INDUSTRY | Average Earnings | | | | | | Employment | | Total Man Hours Worked | | Payrolls | |
|------------------------------------|------------------|--------|--------|--------|-------|--------|------------|-------|------------------------|--------|----------|--------|
| | Hourly, Actual | | Weekly | | | | | | | | | |
| | | | Actual | | Real | | | | | | | |
| | Dec. | Nov. | Dec. | Nov. | Dec. | Nov. | Dec. | Nov. | Dec. | Nov. | Dec. | Nov. |
| Agricultural implement..... | 260.1 | 258.1 | 213.7 | 208.8 | 160.0 | 158.3r | 201.1 | 191.4 | 165.3 | 154.7 | 429.8 | 399.6 |
| Automobile ¹ | n.a. | 248.7 | n.a. | 203.7 | n.a. | 154.4r | n.a. | 137.2 | n.a. | 112.5 | n.a. | 279.5 |
| Boot and shoe..... | 205.1 | 204.8 | 176.3 | 176.1 | 132.0 | 133.5r | 106.9 | 105.8 | 92.0 | 91.1 | 188.5 | 186.3 |
| Chemical..... | 287.8 | 282.7 | 225.3 | 220.7 | 168.6 | 167.3r | 202.9 | 202.6 | 159.3 | 158.6 | 457.1 | 447.1 |
| Cotton—North..... | 255.7 | 254.2 | 222.2 | 219.2 | 166.3 | 166.2r | 43.9 | 42.8 | 38.1 | 36.8 | 97.5 | 93.8 |
| Electrical manufacturing..... | 250.5 | 250.0 | 218.2 | 215.7 | 163.3 | 163.5r | 278.1 | 276.2 | 241.4 | 238.1 | 606.8 | 595.8 |
| Furniture ² | 263.4 | 263.2 | 229.1 | 231.8 | 171.5 | 175.7r | 144.8 | 140.5 | 125.8 | 123.9 | 331.7 | 325.7 |
| Hosiery and knit goods..... | 299.2 | 300.3 | 260.7 | 261.8 | 195.1 | 198.5r | 96.2 | 94.6 | 83.7 | 82.3 | 250.8 | 247.7 |
| Iron and steel ⁴ | 262.6 | 266.3 | 176.5 | 176.7 | 132.1 | 134.0r | 127.2 | 128.0 | 85.1 | 84.5 | 224.5 | 226.2 |
| Leather tanning and finishing..... | 274.7 | 273.9 | 240.6 | 238.3 | 180.1 | 180.7r | 75.6 | 75.3 | 66.2 | 65.7 | 181.9 | 179.4 |
| Lumber and millwork..... | 312.5 | 309.5 | 274.0 | 267.8 | 205.1 | 203.0r | 55.9 | 55.8 | 49.0 | 48.3 | 153.2 | 149.4 |
| Meat packing..... | 272.1 | 268.3 | 261.5 | 243.9 | 195.7 | 184.9r | 117.2 | 109.9 | 113.0 | 99.9 | 306.5 | 268.0 |
| Paint and varnish..... | 244.8 | 242.8 | 216.5 | 216.0 | 162.1 | 163.8r | 173.0 | 173.1 | 152.9 | 153.9 | 374.5 | 373.9 |
| Paper and pulp..... | 257.3 | 257.1 | 222.1 | 220.3 | 166.2 | 167.0r | 150.4 | 148.2 | 129.8 | 126.7 | 334.0 | 326.5 |
| Paper products..... | 266.3 | 265.2 | 232.0 | 228.0 | 173.7 | 172.9r | 197.1 | 196.3 | 172.9 | 169.6 | 457.3 | 447.6 |
| Printing—book and job..... | 238.7 | 237.1 | 216.6 | 212.2 | 162.1 | 160.9r | 158.1 | 159.0 | 143.2 | 142.0 | 342.4 | 337.4 |
| Printing—news and magazine..... | 254.4 | 255.7r | 227.6 | 229.4r | 170.4 | 173.9 | 155.1 | 153.5 | 139.0 | 137.8r | 353.0 | 352.1r |
| Rubber..... | 248.9 | 248.4 | 220.3 | 215.5 | 164.9 | 163.4r | 140.6 | 140.0 | 124.3 | 121.2 | 309.7 | 301.7 |
| Silk and rayon..... | 248.2 | 242.9 | 225.5 | 214.0 | 168.8 | 162.2r | 94.9 | 93.9 | 86.2 | 82.6 | 214.0 | 200.9 |
| Wool..... | 251.3 | 249.9 | 223.4 | 218.4 | 167.2 | 165.6r | 87.3 | 86.8 | 77.5 | 75.9 | 195.0 | 189.6 |
| Foundries and machine shops..... | 248.0 | 246.1 | 206.6 | 202.1 | 154.6 | 153.2r | 141.5 | 140.4 | 117.6 | 115.3 | 292.3 | 283.7 |
| 1. Foundries..... | 243.1 | 241.9 | 200.1 | 194.6 | 149.8 | 147.5r | 159.3 | 157.8 | 131.1 | 127.0 | 318.8 | 307.1 |
| 2. Machines and machine tools..... | 255.9 | 254.3 | 216.2 | 211.8 | 161.8 | 160.6r | 136.5 | 137.2 | 115.1 | 114.0 | 295.1 | 290.6 |
| 3. Heavy equipment..... | 220.4 | 217.3 | 191.2 | 184.9 | 143.1 | 140.2r | 112.9 | 111.0 | 97.8 | 94.4 | 215.9 | 205.2 |
| 4. Hardware and small parts..... | 261.1 | 259.4 | 218.5 | 215.3 | 163.5 | 163.2r | 143.1 | 142.6 | 119.8 | 118.2 | 312.7 | 307.0 |
| 5. Other products..... | 254.1 | 252.9 | 209.0 | 206.0 | 156.4 | 156.2r | 146.7 | 145.7 | 120.6 | 118.9 | 306.6 | 300.1 |
| 25 INDUSTRIES..... | n.a. | 257.9 | n.a. | 213.4 | n.a. | 161.8r | n.a. | 128.6 | n.a. | 106.6 | n.a. | 274.4 |

NOTE: No basic 1923 data are available, hence no indexes are given for the following: Rayon producing, rubber tires and tubes, other rubber products, woolen and worsted goods, other woolen products, cement, petroleum refining, "27 industries," aircraft and shipbuilding.
See footnotes on page 83.

EARNINGS AND HOURS, MALE AND FEMALE PRODUCTION WORKERS, DECEMBER, 1947

NOTE: Hourly earnings are not wage rates, because they include overtime and other monetary compensation

| INDUSTRY | All Male | | | | | | Female | | | | | |
|---|-----------------------------|--------------------|--------|--------------------|--|-------------------|-----------------------------|--------------------|--------|--------------------|--|-------------------|
| | Average Earnings in Dollars | | | | Average Hours per Week per Production Worker | | Average Earnings in Dollars | | | | Average Hours per Week per Production Worker | |
| | Hourly | | Weekly | | | | Hourly | | Weekly | | | |
| | Dec. | Nov. | Dec. | Nov. | Dec. | Nov. | Dec. | Nov. | Dec. | Nov. | Dec. | Nov. |
| Agricultural implement..... | 1.452 | 1.441 | 59.11 | 57.74 | 40.7 | 40.1 | 1.271 | 1.264 | 49.99 | 49.32 | 39.3 | 39.0 |
| Automobile ¹ | n.a. | 1.596 | n.a. | 62.53 | n.a. | 39.2 | 1.354 | n.a. | 51.43 | n.a. | 38.0 | 38.0 |
| Boot and shoe..... | 1.220 | 1.213 | 49.05 | 48.63 | 40.2 | 40.1 | .929 | .929 | 35.97 | 36.17 | 38.7 | 38.9 |
| Chemical..... | 1.523 | 1.497 | 60.80 | 59.66 | 39.9 | 39.8 | 1.074 | 1.046 | 41.24 | 39.80 | 38.4 | 38.0 |
| Rayon producing ² | 1.315 | 1.287 _r | 51.33 | 50.45 _r | 39.0 | 39.2 _r | 1.109 | 1.076 _r | 40.34 | 39.66 _r | 36.4 | 36.9 _r |
| Cotton—North..... | 1.208 | 1.197 | 51.94 | 51.04 | 43.0 | 42.6 | 1.033 | 1.030 | 40.66 | 40.23 | 39.4 | 39.1 |
| Electrical manufacturing..... | 1.511 | 1.508 | 64.04 | 63.28 | 42.4 | 42.0 | 1.169 | 1.169 | 45.97 | 45.60 | 39.3 | 39.0 |
| Furniture ³ | 1.398 | 1.399 | 59.07 | 59.78 | 42.2 | 42.7 | 1.087 | 1.073 | 43.36 | 43.64 | 39.9 | 40.7 |
| Hosiery and knit goods..... | 1.550 | 1.552 | 64.07 | 64.42 | 41.3 | 41.5 | .934 | .939 | 37.16 | 37.29 | 39.8 | 39.7 |
| Iron and steel ⁴ | 1.570 | 1.592 | 60.64 | 60.70 | 38.6 | 38.1 | 1.177 | 1.198 | 43.83 | 43.98 | 37.2 | 36.7 |
| Leather tanning and finishing..... | 1.362 | 1.358 | 57.69 | 57.22 | 42.4 | 42.1 | 1.144 | 1.143 | 43.25 | 42.87 | 37.8 | 37.5 |
| Lumber and millwork..... | 1.494 | 1.480 | 64.99 | 63.56 | 43.5 | 42.9 | 1.068 | 1.076 | 43.63 | 43.25 | 40.9 | 40.2 |
| Meat packing..... | 1.323 | 1.305 | 64.67 | 60.15 | 48.9 | 46.1 | 1.106 | 1.096 | 48.07 | 45.54 | 43.5 | 41.6 |
| Paint and varnish..... | 1.397 | 1.386 | 57.86 | 57.65 | 41.4 | 41.6 | 1.051 | 1.045 | 40.79 | 41.95 | 38.8 | 40.1 |
| Paper and pulp..... | 1.316 | 1.315 | 59.15 | 58.65 | 44.9 | 44.6 | .969 | .965 | 38.94 | 38.85 | 40.2 | 40.3 |
| Paper products..... | 1.320 | 1.316 | 57.87 | 57.04 | 43.8 | 43.4 | .952 | .948 | 37.84 | 36.99 | 39.7 | 39.0 |
| Printing—book and job..... | 1.765 | 1.751 | 75.70 | 74.92 | 42.9 | 42.8 | 1.061 | 1.036 | 41.22 | 38.57 | 38.8 | 37.2 |
| Printing—news and magazine..... | 1.873 | 1.879 _r | 75.89 | 76.61 _r | 40.5 | 40.8 _r | 1.105 | 1.100 _r | 43.31 | 42.38 _r | 39.2 | 38.5 |
| Rubber..... | 1.674 | 1.666 | 66.52 | 65.25 | 39.7 | 39.2 | 1.161 | 1.157 | 45.63 | 43.61 | 39.3 | 37.7 |
| 1. Rubber tires and tubes..... | 1.772 | 1.765 | 68.82 | 68.00 | 38.8 | 38.5 | 1.346 | 1.358 | 49.15 | 49.07 | 36.5 | 36.1 |
| 2. Other rubber products..... | 1.455 | 1.438 | 61.00 | 58.55 | 41.9 | 40.7 | 1.058 | 1.031 | 43.41 | 39.94 | 41.0 | 38.7 |
| Silk and rayon..... | 1.315 | 1.285 | 57.21 | 53.79 | 43.5 | 41.9 | 1.017 | 1.008 | 39.89 | 38.95 | 39.2 | 38.7 |
| Wool..... | 1.335 | 1.328 | 57.83 | 56.46 | 43.3 | 42.5 | 1.147 | 1.139 | 46.12 | 45.22 | 40.2 | 39.7 |
| 1. Woolen and worsted goods..... | 1.294 | 1.288 | 56.83 | 55.26 | 43.9 | 42.9 | 1.154 | 1.146 | 46.89 | 46.11 | 40.6 | 40.3 |
| 2. Other woolen products ⁵ | 1.380 | 1.374 | 58.93 | 57.79 | 42.7 | 42.1 | 1.133 | 1.127 | 44.62 | 43.47 | 39.4 | 38.6 |
| Foundries and machine shops..... | 1.450 | 1.438 | 60.22 | 58.86 | 41.5 | 40.9 | 1.133 | 1.128 _r | 43.54 | 43.22 | 38.4 | 38.3 _r |
| 1. Foundries..... | 1.441 | 1.434 | 59.60 | 58.00 | 41.4 | 40.5 | 1.195 | 1.186 | 47.29 | 45.21 | 39.6 | 38.1 |
| 2. Machines and machine tools..... | 1.420 | 1.411 | 59.88 | 58.67 | 42.2 | 41.6 | 1.140 | 1.134 | 44.33 | 43.65 | 38.9 | 38.5 |
| 3. Heavy equipment..... | 1.485 | 1.464 _r | 63.60 | 61.52 | 42.8 | 42.0 | 1.160 | 1.148 _r | 45.47 | 44.90 | 39.2 | 39.1 _r |
| 4. Hardware and small parts..... | 1.389 | 1.379 | 57.02 | 56.12 | 41.1 | 40.7 | 1.066 | 1.064 | 40.54 | 40.24 | 38.0 | 37.8 |
| 5. Other products..... | 1.468 | 1.461 | 59.39 | 58.45 | 40.5 | 40.0 | 1.159 | 1.154 | 44.34 | 44.34 | 38.4 | 38.4 |
| 25 INDUSTRIES..... | n.a. | 1.469 | n.a. | 60.37 | n.a. | 41.2 | n.a. | 1.048 | n.a. | 40.88 | n.a. | 39.0 |
| Cement..... | 1.181 | 1.198 _r | 47.71 | 49.48 _r | 40.4 | 41.3 _r | ..... | ..... | ..... | ..... | ..... | ..... |
| Petroleum refining..... | 1.667 | 1.667 | 66.92 | 67.41 | 40.1 | 40.4 | ..... | ..... | ..... | ..... | ..... | ..... |
| 27 INDUSTRIES..... | n.a. | 1.470 | n.a. | 60.39 _r | n.a. | 41.2 | ..... | ..... | ..... | ..... | ..... | ..... |
| Aircraft..... | 1.458 | 1.452 | 59.20 | 58.08 _r | 40.6 | 40.0 | 1.226 | 1.226 | 47.84 | 47.28 _r | 39.0 | 38.6 |
| Shipbuilding..... | 1.540 | 1.496 | 60.22 | 58.36 | 39.1 | 39.0 | 1.061 | 1.067 | 40.21 | 39.86 | 37.9 | 37.3 |

See footnotes on page 83.

Employment rose in all the twenty-four manufacturing industries from 1946 to 1947. The smallest increase took place in the machines and machine tools group under foundries and machine shops, which employed only 0.3% more workers during this past year than in 1946. The major advance—23.7%—was noted in the electrical manufacturing industry; the second greatest—15.9%—occurred in agricultural implement plants.

Over the month from November to December, only four industries showed a drop in employment. The declines were negligible, however, with none exceeding 0.7%. Among the increases recorded, ten of them equaled 1% or more. The top three—6.6%, 5.1% and 3.1%—were found in the meat packing, agricultural implement, and furniture industries.

Total employment in cement plants dropped 0.6% from November to December, but the number of unskilled men increased, so that the proportion of the workers in this group rose from 10.2% in November

to 11.1% in December. Their hourly earnings were increased very slightly, but those of the skilled workers declined. Working hours were shorter for both groups in December than in the previous month, and the weekly earnings of both also declined.

PETROLEUM

No significant changes occurred in any of the averages for the workers in petroleum refineries. Their hourly earnings remained at the peak reached in November and the work week changed only 0.3 hour. A small decrease in employment in the skilled group lowered the proportion of workers in that group from 90.6% in November to 90.4% in December. Neither the unskilled nor the skilled workers showed more than slight changes in hourly earnings or hours.

While total employment in aircraft plants declined only 1.1%, the number of women employed decreased 13.9%, leaving this group only 10.0% of the total in December instead of 11.5% as in November. The

EARNINGS AND HOURS, UNSKILLED AND SKILLED AND SEMI-SKILLED MALE PRODUCTION WORKERS, DECEMBER, 1947

NOTE: Hourly earnings are not wage rates, because they include overtime and other monetary compensation

| INDUSTRY | Unskilled | | | | | | Skilled and Semi-Skilled | | | | | |
|---|-----------------------------|--------------------|--------|--------------------|--|-------------------|-----------------------------|--------------------|--------|--------------------|--|-------------------|
| | Average Earnings in Dollars | | | | Average Hours per Week per Production Worker | | Average Earnings in Dollars | | | | Average Hours per Week per Production Worker | |
| | Hourly | | Weekly | | Dec. | Nov. | Hourly | | Weekly | | Dec. | Nov. |
| | Dec. | Nov. | Dec. | Nov. | | | Dec. | Nov. | Dec. | Nov. | | |
| Agricultural implement..... | 1.250 | 1.223 _r | 49.56 | 47.38 | 39.6 | 38.7 | 1.487 | 1.478 | 60.80 | 59.55 | 40.9 | 40.3 |
| Automobile ¹ | n.a. | 1.340 | n.a. | 53.01 | n.a. | 39.5 | n.a. | 1.624 | n.a. | 63.57 | n.a. | 39.1 |
| Boot and shoe..... | .665 | .663 | 27.41 | 27.45 | 41.2 | 41.4 | 1.241 | 1.235 | 49.87 | 49.46 | 40.2 | 40.0 |
| Chemical..... | 1.266 | 1.244 | 51.27 | 50.14 | 40.5 | 40.3 | 1.590 | 1.563 | 63.23 | 62.08 | 39.8 | 39.7 |
| Rayon producing ² | 1.072 | 1.036 _r | 41.35 | 39.96 _r | 38.6 | 38.6 _r | 1.346 | 1.319 _r | 52.62 | 51.80 _r | 39.1 | 39.3 _r |
| Cotton—North..... | 1.118 | 1.120 | 46.99 | 46.91 | 42.0 | 41.9 | 1.243 | 1.227 | 53.90 | 52.66 | 43.4 | 42.9 |
| Electrical manufacturing..... | 1.234 | 1.236 | 50.89 | 50.03 | 41.2 | 40.5 | 1.549 | 1.546 | 65.92 | 65.20 | 42.5 | 42.2 |
| Furniture ³ | 1.031 | 1.027 | 42.42 | 42.67 | 41.2 | 41.5 | 1.431 | 1.431 | 60.58 | 61.27 | 42.3 | 42.8 |
| Hosiery and knit goods..... | 1.053 | 1.055 | 47.00 | 48.61 | 44.6 | 46.1 | 1.601 | 1.604 | 65.69 | 65.90 | 41.0 | 41.1 |
| Iron and steel ⁴ | 1.270 | 1.278 | 45.93 | 45.96 | 36.2 | 36.0 | 1.636 | 1.662 | 64.12 | 64.22 | 39.2 | 38.6 |
| Leather tanning and finishing..... | 1.126 | 1.133 | 46.64 | 47.64 | 41.4 | 42.1 | 1.401 | 1.396 | 59.59 | 58.86 | 42.5 | 42.2 |
| Lumber and millwork..... | 1.123 | 1.138 | 48.90 | 48.98 | 43.5 | 43.0 | 1.613 | 1.593 | 70.16 | 68.38 | 43.5 | 42.9 |
| Meat packing..... | 1.170 | 1.154 | 56.12 | 52.23 | 43.0 | 45.2 | 1.387 | 1.364 | 68.27 | 63.38 | 40.2 | 46.4 |
| Paint and varnish..... | 1.171 | 1.178 | 48.80 | 49.47 | 41.7 | 42.0 | 1.475 | 1.457 | 60.96 | 60.41 | 41.3 | 41.4 |
| Paper and pulp..... | 1.151 | 1.147 | 50.01 | 49.78 | 43.5 | 43.4 | 1.386 | 1.387 | 63.19 | 62.55 | 45.6 | 45.1 |
| Paper products..... | 1.082 | 1.080 | 45.94 | 45.93 | 42.5 | 42.5 | 1.402 | 1.397 | 62.15 | 60.99 | 44.3 | 43.6 |
| Printing—book and job..... | 1.227 | 1.211 | 52.27 | 51.64 | 42.6 | 42.6 | 1.963 | 1.952 | 84.41 | 83.64 | 43.0 | 42.8 |
| Printing—news and magazine..... | 1.327 | 1.328 | 50.98 | 51.32 _r | 38.4 | 38.6 | 2.034 | 2.043 _r | 83.78 | 84.66 _r | 41.2 | 41.4 _r |
| Rubber..... | 1.344 | 1.351 | 53.36 | 52.28 | 39.7 | 38.7 | 1.683 | 1.674 | 66.88 | 65.59 | 39.7 | 39.2 |
| 1. Rubber tires and tubes..... | 1.424 | 1.427 | 54.68 | 53.80 | 38.4 | 37.7 | 1.782 | 1.774 | 69.22 | 68.42 | 38.8 | 38.6 |
| 2. Other rubber products..... | 1.080 | 1.079 | 48.57 | 46.35 | 45.0 | 43.0 | 1.464 | 1.447 | 61.30 | 58.84 | 41.9 | 40.7 |
| Wool..... | 1.182 | 1.175 | 52.39 | 50.48 | 44.3 | 43.0 | 1.409 | 1.403 | 60.41 | 59.33 | 42.9 | 42.3 |
| 1. Woolen and worsted goods..... | 1.185 | 1.173 | 53.02 | 50.28 | 44.7 | 42.9 | 1.358 | 1.354 | 59.01 | 58.14 | 43.4 | 42.9 |
| 2. Other woolen products ⁵ | 1.179 | 1.177 | 51.47 | 50.77 | 43.7 | 43.1 | 1.459 | 1.452 | 61.74 | 60.49 | 42.3 | 41.7 |
| Foundries and machine shops..... | 1.252 | 1.239 | 52.13 | 50.62 | 41.6 | 40.8 | 1.489 | 1.477 | 61.81 | 60.47 | 41.5 | 40.9 |
| 1. Foundries..... | 1.261 | 1.254 | 53.01 | 51.16 | 42.0 | 40.8 | 1.503 | 1.496 | 61.83 | 60.34 | 41.1 | 40.3 |
| 2. Machines and machine tools..... | 1.191 | 1.185 | 50.80 | 49.88 | 42.7 | 42.1 | 1.452 | 1.442 | 61.14 | 59.87 | 42.1 | 41.5 |
| 3. Heavy equipment..... | 1.228 | 1.214 | 52.58 | 51.05 | 42.8 | 42.1 _r | 1.523 | 1.500 | 65.26 | 63.00 | 42.8 | 42.0 |
| 4. Hardware and small parts..... | 1.234 | 1.218 | 51.49 | 49.96 | 41.7 | 41.0 | 1.435 | 1.426 | 58.65 | 57.88 | 40.9 | 40.6 |
| 5. Other products..... | 1.300 | 1.284 | 52.28 | 50.78 | 40.2 | 39.5 | 1.499 | 1.494 | 60.70 | 59.89 | 40.5 | 40.1 |
| 24 INDUSTRIES⁶ | n.a. | 1.199 | n.a. | 49.22 | n.a. | 41.1 | n.a. | 1.533 | n.a. | 63.01 | n.a. | 41.1 |
| Cement..... | 1.040 | 1.036 _r | 38.89 | 40.46 _r | 37.4 | 39.1 _r | 1.197 | 1.216 _r | 48.81 | 50.50 _r | 40.8 | 41.5 _r |
| Petroleum refining..... | 1.280 | 1.282 | 52.82 | 52.17 | 41.3 | 40.7 | 1.710 | 1.707 | 68.42 | 69.00 | 40.0 | 40.4 |
| 26 INDUSTRIES⁶ | n.a. | 1.198 | n.a. | 49.18 _r | n.a. | 41.1 | n.a. | 1.534 | n.a. | 63.01 _r | n.a. | 41.1 |
| Aircraft..... | 1.186 | 1.198 _r | 47.91 | 48.52 _r | 40.4 | 40.5 | 1.464 | 1.458 | 59.45 | 58.30 _r | 40.6 | 40.0 |
| Shipbuilding..... | 1.215 | 1.153 | 46.54 | 43.20 | 38.3 | 37.5 | 1.581 | 1.537 | 61.97 | 60.25 | 39.2 | 39.2 |

NOTE: The wage data here given are for cash payments only and do not take into consideration the value of such wage equivalents as reduced or free house rents or other special services rendered by the company to employees. Various forms of wage equivalents are in use in industrial establishments in many localities, but the part which they play as compensation for work performed cannot be taken into account in a study of this character.

¹Based on data collected by the Automobile Manufacturers Association and THE CONFERENCE BOARD.

²Based on data collected by the Textile Economics Bureau, Inc. and THE CONFERENCE BOARD.

³Includes wood, metal, and upholstered household and office furniture.

⁴Based on data collected by the American Iron and Steel Institute and THE CONFERENCE BOARD.

⁵Principally rugs.

⁶Silk and rayon industry not included, as adequate data for unskilled and skilled groups are not available for this industry.

_rRevised.

n.a. Not available

hourly earnings of the women workers remained unchanged over the month, but increased premium payments for overtime resulting from a longer work week raised the hourly earnings of the male workers. Both the men and women increased their weekly earnings from November to December.

SHIPBUILDING

Wage-rate increases were the principal factor in the 2.9% increase in the hourly earnings of shipyard

workers between November and December. Lowered employment may have contributed somewhat, since the most recently hired and therefore lowest-paid employees are usually the first to be laid off. The hourly earnings of the women workers dropped slightly but this group is so small, constituting only 0.5% of the total, that the decrease in their earnings had little or no effect on the average for all workers.

ELIZABETH M. CASELLI
Statistical Division

Year-end Price Rise Steep

THE retail price climb which began in June, 1946, continued unchecked through mid-December, 1947. The consumers' price index compiled by THE CONFERENCE BOARD reached 133.6 (1923=100) in December, topping all previous levels in the series, and exceeding the November index by 1.3%. The over-all rise since December, 1946, has been 8.4%.

The purchasing value of the 1923 dollar—the reciprocal of the consumers' price index—fell to 74.9 cents in December, a decline of .9 cents from the November figure and of 6.3 cents from its value a year earlier.

MAJOR BUDGET CATEGORIES

Every major budget component showed increases over the month. Food costs led all the rest with a 1.9% jump. Higher prices for meats, fish, grain and dairy products were reported by most sources; green beans and oranges dropped seasonally, and prices of some canned goods leveled off.

The average cost of sundries rose 1.1%, reflecting higher prices for shaving cream, soaps and other cleaning materials, and gasoline.

Since July 1, 1947, the effective date of the Federal Housing and Rent Act of 1947, THE CONFERENCE BOARD has conducted two surveys of rents in urban areas, coincident with its regular October and December consumers' price studies. The June-October rise of 3.8% in rents has been revised to 4.2% in the light of recent additional information. Most of this rise comes from voluntary agreements allowing rent in-

creases up to 15% in return for long-term leases. Other factors include "hardship" allowances and de-control of an area. Most of the new leases were executed in October or earlier, but many were signed late in the year, amounting to an increase of 0.7% from October to December. Since the expiration date for negotiating these leases is December 31, 1947, it may reasonably be assumed that the mid-June to mid-December over-all increase of 4.9% comes close to measuring the full effect of the present rent control act. The Board will conduct its next survey of rents in mid-March.

Retail clothing prices advanced 0.5% over the month, with equal rises reported for both men's and women's wear. Since June, 1946, the last OPA month, clothing prices have climbed 14.3%.

FUEL AND LIGHT UP

Fuel and light costs rose 0.4%, as the result of higher solid fuel and fuel oil prices. There was no change in gas and electricity rates.

Each of the sixty-two industrial cities surveyed in December experienced over-all price rises over the month, ranging from 0.2% in Newark to a high of 2.8% in Boston. The median increase of 1.4% is considerably higher than in November when it was 0.7%. Since December, 1946, prices in reporting cities have risen 6.1% or more.

FLORENCE S. GEIGER
Statistical Division

CONSUMERS' PRICE INDEX FOR THE UNITED STATES, AND PURCHASING VALUE OF THE DOLLAR

| Date | Weighted Average of All Items | Food | Housing ¹ | Clothing | | | Fuel and Light | | | Sundries | Purchasing Value of Dollar |
|--------------------------------|-------------------------------------|--------------------|----------------------|--------------------|--------------------|-------------------|--------------------|-------------|------|----------|----------------------------------|
| | | | | Total | Men's | Women's | Total ² | Electricity | Gas | | |
| Index Numbers, 1923=100 | | | | | | | | | | | |
| 1946 December..... | 123.2 | 149.3 _a | 91.0 | 105.8 | 121.0 | 90.5 | 100.3 | 66.9 | 94.5 | 125.9 | 81.2 |
| Annual average ³ .. | 113.2 | 127.7 | 91.0 | 99.2 | 110.9 | 87.5 | 98.7 | 66.9 | 94.5 | 119.9 | 88.6 |
| 1947 March..... | 124.8 | 152.3 | 91.0 | 108.2 | 124.4 | 92.0 | 101.4 | 66.8 | 94.4 | 126.9 | 80.1 |
| June..... | 125.4 | 153.3 | 91.0 | 107.2 | 124.4 | 90.0 | 101.1 | 66.6 | 95.2 | 128.0 | 79.7 |
| July..... | 126.6 | 155.8 | 91.0 | 107.2 | 124.2 | 90.1 | 102.4 | 65.4 | 95.0 | 129.1 | 79.0 |
| August..... | 128.2 | 159.4 | 91.0 | 107.6 | 124.4 | 90.7 | 106.0 | 66.6 | 95.0 | 129.5 | 78.0 |
| September..... | 130.2 | 164.6 | 91.0 | 108.4 | 124.3 | 92.4 | 106.5 | 66.7 | 95.0 | 129.9 | 76.8 |
| October..... | 130.9 | 163.6 | 94.8 _r | 108.9 | 125.0 | 92.8 | 107.1 | 66.8 | 95.0 | 130.8 | 76.4 |
| November..... | 131.9 _r | 165.3 _b | 94.8 _r | 109.7 _r | 125.8 _r | 93.5 _r | 108.1 | 66.8 | 95.0 | 131.6 | 75.8 _r |
| December..... | 133.6 | 168.5 | 95.5 | 110.2 | 126.4 | 94.0 | 108.5 | 66.8 | 95.0 | 133.0 | 74.9 |
| Percentage Changes | | | | | | | | | | | |
| Nov. 1947 to Dec. 1947. | +1.3 | +1.9 | +0.7 | +0.5 | +0.5 | +0.5 | +0.4 | 0 | 0 | +1.1 | -1.2 |
| Dec. 1946 to Dec. 1947. | +8.4 | +12.9 | +4.9 | +4.2 | +4.5 | +3.9 | +8.2 | -0.1 | +0.5 | +5.6 | -7.8 |

¹Rents surveyed quarterly, December 15, March 15, June 15, Sept. 15.

²Includes fuel as well as electricity and gas.

³Average of four quarterly indexes.

^aBased on food prices for December 16, 1946.

^bBased on food prices for November 17, 1947.

^rRevised.

CONSUMERS' PRICE INDEXES FOR FIFTY-SEVEN CITIES

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

| CITY | Index Numbers Jan., 1939=100 | | | Percentage Changes | | CITY | Index Numbers Jan., 1939=100 | | | Percentage Changes | |
|----------------------------|---------------------------------|--------------------|-----------|------------------------------|------------------------------|----------------------------|---------------------------------|--------------------|-----------|------------------------------|------------------------------|
| | Dec. 1947 | Nov. 1947 | Dec. 1946 | Nov. 1947 to Dec. 1947 | Dec. 1946 to Dec. 1947 | | Dec. 1947 | Nov. 1947 | Dec. 1946 | Nov. 1947 to Dec. 1947 | Dec. 1946 to Dec. 1947 |
| Akron | | | | | | Chicago | | | | | |
| Food..... | 222.3 | 214.5 | 199.6 | +3.6 | +11.4 | Food..... | 223.5 | 219.5 | 199.1 | +1.8 | +12.3 |
| Housing ¹ | 117.6 | 117.6 _r | 113.9 | 0 | +3.2 | Housing ¹ | 120.4 | 120.4 _r | 105.8 | 0 | +13.8 |
| Clothing..... | 151.3 | 149.8 | 143.3 | +1.0 | +5.6 | Clothing..... | 154.2 | 153.5 _r | 145.2 | +0.5 | +6.2 |
| Fuel and light..... | 142.9 | 141.9 | 121.2 | +0.7 | +17.9 | Fuel and light..... | 105.5 | 105.5 | 98.0 | 0 | +7.7 |
| Housefurnishings..... | 132.3 | 132.2 | 129.9 | +0.1 | +1.8 | Housefurnishings..... | 147.0 | 146.6 | 133.9 | +0.3 | +5.8 |
| Sundries..... | 143.9 | 142.1 | 135.9 | +1.3 | +5.9 | Sundries..... | 141.6 | 140.0 _r | 133.2 | +1.1 | +6.3 |
| Weighted Total..... | 162.7 | 159.6 _r | 150.3 | +1.9 | +8.3 | Weighted Total..... | 163.0 | 161.2 _r | 148.1 | +1.1 | +10.1 |
| Atlanta | | | | | | Cincinnati | | | | | |
| Food..... | 229.9 | 227.5 | 200.2 | +1.1 | +14.8 | Food..... | 217.4 | 210.1 _r | 191.7 | +3.5 | +13.4 |
| Housing ¹ | 107.2 | 107.2 _r | 99.2 | 0 | +8.1 | Housing ¹ | 105.8 | 105.8 _r | 100.9 | 0 | +4.9 |
| Clothing..... | 151.3 | 150.9 | 146.0 | +0.3 | +3.6 | Clothing..... | 164.6 | 161.0 | 151.4 | +2.2 | +8.7 |
| Fuel and light..... | 125.4 | 125.3 | 116.7 | +0.1 | +7.5 | Fuel and light..... | 124.6 | 124.0 | 110.6 | +0.5 | +12.7 |
| Housefurnishings..... | 140.8 | 140.5 | 133.0 | +0.2 | +5.9 | Housefurnishings..... | 143.3 | 141.9 | 132.8 | +1.0 | +7.9 |
| Sundries..... | 135.6 | 134.7 | 128.5 | +0.7 | +5.5 | Sundries..... | 145.5 | 144.1 | 129.4 | +1.0 | +12.4 |
| Weighted Total..... | 159.9 | 158.8 _r | 146.2 | +0.7 | +9.4 | Weighted Total..... | 163.0 | 159.7 _r | 146.5 | +2.1 | +11.3 |
| Baltimore | | | | | | Cleveland | | | | | |
| Food..... | 218.0 | 213.8 | 193.2 | +2.0 | +12.8 | Food..... | 211.9 | 207.8 _r | 186.0 | +2.0 | +13.9 |
| Housing ¹ | 108.6 | 104.8 | 103.2 | +3.6 | +5.2 | Housing ¹ | 116.7 | 116.7 | 109.7 | 0 | +6.4 |
| Clothing..... | 155.1 | 154.3 _r | 145.0 | +0.5 | +7.0 | Clothing..... | 161.8 | 160.7 | 154.4 | +0.7 | +4.8 |
| Fuel and light..... | 130.1 | 129.5 | 117.6 | +0.5 | +10.6 | Fuel and light..... | 126.2 | 125.8 | 110.4 | +0.3 | +14.3 |
| Housefurnishings..... | 161.2 | 158.3 | 154.2 | +1.8 | +4.5 | Housefurnishings..... | 159.4 | 157.8 | 144.6 | +1.0 | +10.2 |
| Sundries..... | 141.1 | 138.2 | 132.5 | +2.1 | +6.5 | Sundries..... | 146.6 | 144.7 | 139.0 | +1.3 | +5.5 |
| Weighted Total..... | 163.5 | 160.4 | 149.5 | +1.9 | +9.4 | Weighted Total..... | 161.8 | 159.8 | 147.9 | +1.3 | +9.4 |
| Birmingham | | | | | | Dallas | | | | | |
| Food..... | 230.1 | 224.8 _r | 208.7 | +2.4 | +10.3 | Food..... | 219.7 | 210.9 | 197.3 | +4.2 | +11.4 |
| Housing ¹ | 117.2 | 117.2 | 105.7 | 0 | +10.9 | Housing ¹ | 108.8 | 106.4 _r | 105.6 | +2.3 | +3.0 |
| Clothing..... | 154.7 | 153.8 | 152.3 | +0.6 | +1.6 | Clothing..... | 156.7 | 155.3 _r | 150.7 | +0.9 | +4.0 |
| Fuel and light..... | 122.7 | 122.2 | 112.9 | +0.4 | +8.7 | Fuel and light..... | 89.1 | 89.1 | 89.1 | 0 | 0 |
| Housefurnishings..... | 153.7 | 154.4 | 146.3 | -0.5 | +5.1 | Housefurnishings..... | 152.0 | 149.7 | 142.4 | +1.5 | +6.7 |
| Sundries..... | 130.8 | 129.7 _r | 124.4 | +0.8 | +5.1 | Sundries..... | 142.6 | 141.2 | 133.8 | +1.0 | +6.6 |
| Weighted Total..... | 160.8 | 158.8 | 149.4 | +1.3 | +7.6 | Weighted Total..... | 156.1 | 152.5 | 145.4 | +2.4 | +7.4 |
| Boston | | | | | | Dayton | | | | | |
| Food..... | 205.4 | 197.3 | 183.5 | +4.1 | +11.9 | Food..... | 214.3 | 208.8 | 184.2 | +2.6 | +16.3 |
| Housing ¹ | 112.3 | 109.1 _r | 104.5 | +2.9 | +7.5 | Housing ¹ | 112.1 | 111.7 _r | 106.4 | +0.4 | +5.4 |
| Clothing..... | 145.1 | 144.8 | 139.8 | +0.2 | +3.8 | Clothing..... | 143.8 | 147.7 _r | 143.6 | +0.7 | +3.6 |
| Fuel and light..... | 147.0 | 141.8 | 128.4 | +3.7 | +14.5 | Fuel and light..... | 131.4 | 130.8 | 110.8 | +0.5 | +18.6 |
| Housefurnishings..... | 157.5 | 156.9 | 147.9 | +0.4 | +6.5 | Housefurnishings..... | 164.2 | 162.7 | 153.9 | +0.9 | +6.7 |
| Sundries..... | 145.3 | 143.7 | 138.6 | +1.1 | +4.8 | Sundries..... | 139.0 | 137.7 | 131.7 | +0.9 | +5.5 |
| Weighted Total..... | 160.7 | 156.3 _r | 147.3 | +2.8 | +9.1 | Weighted Total..... | 159.2 | 156.9 _r | 144.4 | +1.5 | +10.2 |
| Bridgeport | | | | | | Denver | | | | | |
| Food..... | 205.1 | 204.5 | 183.0 | +0.3 | +12.1 | Food..... | 217.2 | 212.6 | 197.2 | +2.2 | +10.1 |
| Housing ¹ | 107.1 | 107.1 _r | 106.5 | 0 | +0.6 | Housing ¹ | 113.4 | 113.2 _r | 105.5 | +0.2 | +7.5 |
| Clothing..... | 146.9 | 146.7 | 143.0 | +0.1 | +2.7 | Clothing..... | 152.2 | 151.5 _r | 144.7 | +0.5 | +5.2 |
| Fuel and light..... | 141.6 | 138.5 | 130.2 | +2.2 | +8.8 | Fuel and light..... | 101.4 | 101.3 | 98.6 | +0.1 | +2.8 |
| Housefurnishings..... | 149.4 | 148.4 _r | 132.1 | +0.7 | +13.1 | Housefurnishings..... | 147.7 | 145.4 _r | 140.5 | +1.6 | +5.1 |
| Sundries..... | 164.7 | 161.1 | 146.3 | +2.2 | +12.6 | Sundries..... | 138.7 | 137.2 | 130.2 | +1.1 | +6.5 |
| Weighted Total..... | 162.6 | 161.1 _r | 148.5 | +0.9 | +9.5 | Weighted Total..... | 157.8 | 155.7 _r | 146.4 | +1.3 | +7.8 |
| Buffalo | | | | | | Des Moines | | | | | |
| Food..... | 223.5 | 219.6 | 194.4 | +1.8 | +15.0 | Food..... | 211.9 | 208.1 | 184.4 | +1.8 | +14.9 |
| Housing ¹ | 117.8 | 117.8 _r | 112.3 | 0 | +4.9 | Housing ¹ | 107.5 | 105.6 _r | 105.3 | +1.8 | +2.1 |
| Clothing..... | 149.0 | 148.0 | 141.2 | +0.7 | +5.5 | Clothing..... | 163.2 | 162.6 | 160.0 | +0.4 | +2.0 |
| Fuel and light..... | 128.3 | 128.3 | 119.2 | 0 | +7.6 | Fuel and light..... | 140.5 | 139.9 | 123.3 | +0.4 | +13.9 |
| Housefurnishings..... | 158.8 | 158.2 | 141.3 | +0.4 | +12.4 | Housefurnishings..... | 158.5 | 157.7 | 147.4 | +0.5 | +7.5 |
| Sundries..... | 140.8 | 139.7 | 134.3 | +0.8 | +4.8 | Sundries..... | 140.0 | 139.6 | 130.2 | +0.3 | +7.5 |
| Weighted Total..... | 163.2 | 161.5 _r | 148.9 | +1.1 | +9.6 | Weighted Total..... | 157.2 | 155.6 _r | 144.1 | +1.0 | +9.1 |
| Chattanooga | | | | | | Detroit | | | | | |
| Food..... | 236.4 | 231.2 _r | 213.7 | +2.2 | +10.6 | Food..... | 218.9 | 214.6 | 192.0 | +2.0 | +14.0 |
| Housing ¹ | 103.7 | 103.7 | 103.7 | 0 | 0 | Housing ¹ | 109.9 | 109.9 _r | 107.0 | 0 | +2.7 |
| Clothing..... | 152.3 | 150.3 | 147.9 | +1.3 | +3.0 | Clothing..... | 154.1 | 153.8 _r | 150.8 | +0.2 | +2.2 |
| Fuel and light..... | 125.8 | 125.8 | 107.0 | 0 | +17.6 | Fuel and light..... | 136.7 | 136.6 | 118.4 | +0.1 | +15.5 |
| Housefurnishings..... | 139.6 | 139.4 | 134.5 | +0.1 | +3.8 | Housefurnishings..... | 158.0 | 157.2 | 147.1 | +0.5 | +7.4 |
| Sundries..... | 131.5 | 131.0 | 128.4 | +0.4 | +2.4 | Sundries..... | 158.2 | 152.4 | 148.1 | +3.8 | +6.8 |
| Weighted Total..... | 160.6 | 158.7 _r | 151.1 | +1.2 | +6.3 | Weighted Total..... | 164.8 | 161.8 _r | 151.3 | +1.9 | +8.9 |

¹Rents surveyed quarterly, Dec., March, June and Sept.

_rRevised.

CONSUMERS' PRICE INDEXES FOR FIFTY-SEVEN CITIES—Continued

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

| City | Index Numbers Jan., 1939=100 | | | Percentage Changes | | City | Index Numbers Jan., 1939=100 | | | Percentage Changes | |
|----------------------------|---------------------------------|--------------------|-----------|------------------------------|------------------------------|----------------------------|---------------------------------|--------------------|-----------|------------------------------|------------------------------|
| | Dec. 1947 | Nov. 1947 | Dec. 1946 | Nov. 1947 to Dec. 1947 | Dec. 1946 to Dec. 1947 | | Dec. 1947 | Nov. 1947 | Dec. 1946 | Nov. 1947 to Dec. 1947 | Dec. 1946 to Dec. 1947 |
| Duluth | | | | | | Kansas City, Mo. | | | | | |
| Food..... | 213.4 | 211.3 | 184.5 | +1.0 | +15.7 | Food..... | 208.2 | 203.9 | 182.0 | +2.1 | +14.4 |
| Housing ¹ | 101.9 | 101.9 | 100.2 | 0 | +1.7 | Housing ¹ | 108.4 | 108.4 | 105.5 | 0 | +2.7 |
| Clothing..... | 162.9 | 161.3 ^r | 155.7 | +1.0 | +4.6 | Clothing..... | 158.5 | 158.1 | 148.3 | +0.3 | +6.9 |
| Fuel and light..... | 140.8 | 139.1 | 116.2 | +1.2 | +21.2 | Fuel and light..... | 113.1 | 113.1 | 114.5 | 0 | -1.2 |
| Housefurnishings..... | 166.4 | 165.1 | 153.8 | +0.8 | +8.2 | Housefurnishings..... | 142.4 | 141.9 | 130.3 | +0.4 | +9.3 |
| Sundries..... | 140.8 | 139.1 | 134.3 | +1.2 | +4.8 | Sundries..... | 143.0 | 142.7 | 135.9 | +0.2 | +5.2 |
| Weighted Total..... | 162.3 | 160.7 | 146.8 | +1.0 | +10.6 | Weighted Total..... | 155.6 | 154.2 | 143.7 | +0.9 | +8.3 |
| Erie, Pa. | | | | | | Lansing | | | | | |
| Food..... | 227.8 | 224.1 | 201.2 | +1.7 | +13.2 | Food..... | 241.4 | 238.8 | 220.2 | +1.1 | +9.6 |
| Housing ¹ | 114.0 | 114.0 ^r | 110.2 | 0 | +3.4 | Housing ¹ | 102.1 | 102.1 | 98.0 | 0 | +4.2 |
| Clothing..... | 169.8 | 169.4 | 166.1 | +0.2 | +2.2 | Clothing..... | 151.3 | 151.5 | 145.0 | -0.1 | +4.3 |
| Fuel and light..... | 141.3 | 140.1 | 127.3 | +0.9 | +11.0 | Fuel and light..... | 129.8 | 129.8 | 111.1 | 0 | +16.8 |
| Housefurnishings..... | 154.2 | 154.2 | 143.8 | 0 | +7.2 | Housefurnishings..... | 160.9 | 160.5 | 154.9 | +0.2 | +3.9 |
| Sundries..... | 152.8 | 152.1 | 144.5 | +0.5 | +5.7 | Sundries..... | 153.8 | 150.6 | 138.2 | +2.1 | +11.3 |
| Weighted Total..... | 170.1 | 168.6 ^r | 156.5 | +0.9 | +8.7 | Weighted Total..... | 165.8 | 164.2 | 152.3 | +1.0 | +8.9 |
| Fall River | | | | | | Los Angeles | | | | | |
| Food..... | 199.9 | 196.3 ^r | 180.1 | +1.8 | +11.0 | Food..... | 222.2 | 215.3 ^r | 198.3 | +3.2 | +12.1 |
| Housing ¹ | 104.3 | 104.3 | 104.3 | 0 | 0 | Housing ¹ | 111.3 | 111.3 ^r | 106.2 | 0 | +4.8 |
| Clothing..... | 162.1 | 161.1 ^r | 158.5 | +0.6 | +2.3 | Clothing..... | 145.6 | 145.4 ^r | 138.9 | +0.1 | +4.8 |
| Fuel and light..... | 135.1 | 134.0 | 122.8 | +0.8 | +10.0 | Fuel and light..... | 93.4 | 93.4 | 93.4 | 0 | 0 |
| Housefurnishings..... | 136.6 | 136.5 | 132.5 | +0.1 | +3.1 | Housefurnishings..... | 142.9 | 142.8 ^r | 132.8 | +0.1 | +7.6 |
| Sundries..... | 141.0 | 140.0 | 132.9 | +0.7 | +6.1 | Sundries..... | 137.7 | 137.4 | 131.2 | +0.2 | +5.0 |
| Weighted Total..... | 156.0 | 154.3 ^r | 145.5 | +1.1 | +7.2 | Weighted Total..... | 157.4 | 155.2 ^r | 146.0 | +1.4 | +7.8 |
| Grand Rapids | | | | | | Louisville | | | | | |
| Food..... | 222.4 | 217.4 | 199.6 | +2.3 | +11.4 | Food..... | 228.4 | 222.7 | 202.3 | +2.6 | +12.9 |
| Housing ¹ | 106.5 | 106.5 | 106.5 | 0 | 0 | Housing ¹ | 107.1 | 107.1 ^r | 103.9 | 0 | +3.1 |
| Clothing..... | 155.3 | 154.7 | 153.9 | +0.4 | +0.9 | Clothing..... | 150.7 | 150.1 | 143.3 | +0.4 | +5.2 |
| Fuel and light..... | 142.4 | 142.4 | 121.0 | 0 | +17.7 | Fuel and light..... | 146.4 | 146.4 | 122.6 | 0 | +19.4 |
| Housefurnishings..... | 165.7 | 165.0 | 163.4 | +0.4 | +1.4 | Housefurnishings..... | 164.7 | 163.3 | 158.6 | +0.9 | +3.8 |
| Sundries..... | 148.8 | 148.2 | 135.0 | +0.4 | +10.2 | Sundries..... | 144.0 | 143.5 | 138.2 | +0.3 | +4.2 |
| Weighted Total..... | 164.1 | 162.4 | 151.3 | +1.0 | +8.5 | Weighted Total..... | 168.4 | 166.2 ^r | 154.8 | +1.3 | +8.8 |
| Green Bay, Wis. | | | | | | Macon | | | | | |
| Food..... | 211.2 | 205.5 | 186.2 | +2.8 | +13.4 | Food..... | 217.4 | 213.4 | 199.1 | +1.9 | +9.2 |
| Housing ¹ | 115.2 | 115.2 ^r | 106.8 | 0 | +7.9 | Housing ¹ | 120.1 | 120.1 ^r | 114.0 | 0 | +5.4 |
| Clothing..... | 167.5 | 166.5 | 159.3 | +0.6 | +5.1 | Clothing..... | 158.2 | 157.4 ^r | 150.7 | +0.5 | +5.0 |
| Fuel and light..... | 127.3 | 127.3 | 111.0 | 0 | +14.7 | Fuel and light..... | 112.3 | 112.6 | 102.2 | -0.3 | +9.9 |
| Housefurnishings..... | 154.1 | 153.5 | 145.9 | +0.4 | +5.6 | Housefurnishings..... | 153.9 | 153.3 | 147.1 | +0.4 | +4.6 |
| Sundries..... | 141.7 | 135.4 ^r | 130.3 | +4.7 | +8.7 | Sundries..... | 135.5 | 134.7 | 128.1 | +0.6 | +5.8 |
| Weighted Total..... | 160.1 | 156.5 ^r | 145.5 | +2.3 | +10.0 | Weighted Total..... | 161.1 | 159.5 ^r | 150.4 | +1.0 | +7.1 |
| Houston | | | | | | Memphis | | | | | |
| Food..... | 226.0 | 220.6 ^r | 197.3 | +2.4 | +14.5 | Food..... | 245.0 | 237.5 | 214.1 | +3.2 | +14.4 |
| Housing ¹ | 109.9 | 109.9 | 105.7 | 0 | +4.0 | Housing ¹ | 114.0 | 114.0 ^r | 108.4 | 0 | +5.2 |
| Clothing..... | 152.8 | 152.9 ^r | 144.4 | -0.1 | +5.8 | Clothing..... | 159.7 | 158.7 | 156.2 | +0.6 | +2.2 |
| Fuel and light..... | 81.8 | 81.8 | 81.8 | 0 | 0 | Fuel and light..... | 111.9 | 111.9 | 103.1 | 0 | +8.5 |
| Housefurnishings..... | 141.4 | 140.4 | 127.6 | +0.7 | +10.8 | Housefurnishings..... | 156.0 | 156.8 | 147.0 | -0.5 | +6.1 |
| Sundries..... | 138.0 | 137.8 | 128.3 | +0.1 | +7.6 | Sundries..... | 124.8 | 124.2 | 121.3 | +0.5 | +2.9 |
| Weighted Total..... | 156.3 | 154.8 | 142.7 | +1.0 | +9.5 | Weighted Total..... | 161.1 | 158.8 ^r | 148.9 | +1.4 | +8.2 |
| Huntington, W. Va. | | | | | | Milwaukee | | | | | |
| Food..... | 224.3 | 219.0 | 204.2 | +2.4 | +9.8 | Food..... | 213.1 | 209.6 | 185.8 | +1.7 | +14.7 |
| Housing ¹ | 111.7 | 111.7 | 111.7 | 0 | 0 | Housing ¹ | 109.7 | 109.7 ^r | 103.5 | 0 | +6.0 |
| Clothing..... | 153.8 | 153.8 | 146.0 | 0 | +5.3 | Clothing..... | 164.1 | 164.1 | 163.3 | 0 | +0.5 |
| Fuel and light..... | 100.0 | 100.0 | 100.0 | 0 | 0 | Fuel and light..... | 127.1 | 127.1 | 116.6 | 0 | +9.0 |
| Housefurnishings..... | 160.7 | 160.3 | 152.3 | +0.2 | +5.5 | Housefurnishings..... | 167.6 | 167.1 | 155.1 | +0.3 | +8.1 |
| Sundries..... | 141.6 | 141.4 ^r | 135.0 | +0.1 | +4.9 | Sundries..... | 138.6 | 137.1 | 131.8 | +1.1 | +5.2 |
| Weighted Total..... | 163.6 | 161.9 | 153.8 | +1.1 | +6.4 | Weighted Total..... | 158.3 | 156.8 ^r | 145.5 | +1.0 | +8.8 |
| Indianapolis | | | | | | Minneapolis | | | | | |
| Food..... | 226.9 | 221.7 | 205.1 | +2.3 | +10.6 | Food..... | 234.7 | 226.2 | 207.0 | +3.8 | +13.4 |
| Housing ¹ | 114.6 | 113.8 ^r | 107.9 | +0.7 | +6.2 | Housing ¹ | 108.8 | 108.3 ^r | 103.7 | +0.5 | +4.9 |
| Clothing..... | 146.7 | 146.0 | 143.1 | +0.5 | +2.5 | Clothing..... | 161.7 | 161.0 | 153.2 | +0.4 | +5.5 |
| Fuel and light..... | 137.1 | 137.1 | 117.6 | 0 | +16.6 | Fuel and light..... | 126.1 | 123.5 ^r | 110.5 | +2.1 | +14.1 |
| Housefurnishings..... | 154.8 | 153.9 | 144.6 | +0.6 | +7.1 | Housefurnishings..... | 160.6 | 159.2 | 147.9 | +0.9 | +8.6 |
| Sundries..... | 148.0 | 145.3 | 140.0 | +1.9 | +5.7 | Sundries..... | 146.7 | 146.2 | 133.2 | +0.3 | +10.1 |
| Weighted Total..... | 164.8 | 162.2 | 152.5 | +1.6 | +8.1 | Weighted Total..... | 166.6 | 163.5 | 150.8 | +1.9 | +10.5 |

¹Rents surveyed quarterly, Dec., March, June and Sept.

^rRevised.

CONSUMERS' PRICE INDEXES FOR FIFTY-SEVEN CITIES—Continued

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

| CITY | Index Numbers Jan., 1939=100 | | | Percentage Changes | | CITY | Index Numbers Jan., 1939=100 | | | Percentage Changes | |
|----------------------------|---------------------------------|--------------------|-----------|------------------------------|------------------------------|----------------------------|---------------------------------|--------------------|-----------|------------------------------|------------------------------|
| | Dec. 1947 | Nov. 1947 | Dec. 1946 | Nov. 1947 to Dec. 1947 | Dec. 1946 to Dec. 1947 | | Dec. 1947 | Nov. 1947 | Dec. 1946 | Nov. 1947 to Dec. 1947 | Dec. 1946 to Dec. 1947 |
| Muskegon | | | | | | Portland, Ore. | | | | | |
| Food..... | 256.5 | 253.2 | 225.4 | +1.3 | +13.8 | Dood..... | 222.3 | 215.7 | 196.9 | +3.1 | +12.9 |
| Housing ¹ | 115.4 | 115.4 ^r | 115.2 | 0 | +0.2 | Housing ¹ | 117.3 | 110.0 | 110.0 | +6.6 | +6.6 |
| Clothing..... | 147.2 | 147.2 ^r | 143.0 | 0 | +2.9 | Clothing..... | 170.2 | 169.1 | 157.5 | +0.7 | +8.1 |
| Fuel and light..... | 147.0 | 147.0 | 129.5 | 0 | +13.5 | Fuel and light..... | 122.5 | 122.5 | 125.7 | 0 | -2.5 |
| Housefurnishings..... | 139.9 | 139.9 | 131.9 | 0 | +6.1 | Housefurnishings..... | 143.8 | 142.9 | 133.8 | +0.6 | +7.5 |
| Sundries..... | 141.4 | 140.0 | 134.1 | +1.0 | +5.4 | Sundries..... | 129.8 | 129.7 | 126.4 | +0.1 | +2.7 |
| Weighted Total..... | 169.9 | 168.6 | 156.6 | +0.8 | +8.5 | Weighted Total..... | 160.3 | 157.1 | 148.8 | +2.0 | +7.7 |
| Newark | | | | | | Providence | | | | | |
| Food..... | 205.5 | 205.4 | 177.4 | a | +15.8 | Food..... | 216.6 | 213.0 ^r | 194.2 | +1.7 | +11.5 |
| Housing ¹ | 104.9 | 104.9 ^r | 101.4 | 0 | +3.5 | Housing ¹ | 106.2 | 103.3 | 103.3 | +2.8 | +2.8 |
| Clothing..... | 146.2 | 146.0 ^r | 146.3 | +0.1 | -0.1 | Clothing..... | 153.5 | 152.9 ^r | 148.4 | +0.4 | +3.4 |
| Fuel and light..... | 109.9 | 109.7 | 105.0 | +0.2 | +4.7 | Fuel and light..... | 134.3 | 131.8 | 118.4 | +1.9 | +13.4 |
| Housefurnishings..... | 171.8 | 169.6 ^r | 159.9 | +1.3 | +7.4 | Housefurnishings..... | 134.8 | 134.2 | 128.8 | +0.4 | +4.7 |
| Sundries..... | 136.2 | 135.4 | 127.7 | +0.6 | +6.7 | Sundries..... | 141.3 | 140.7 | 132.7 | +0.4 | +6.5 |
| Weighted Total..... | 156.3 | 156.0 ^r | 142.5 | +0.2 | +9.7 | Weighted Total..... | 159.3 | 157.1 | 147.1 | +1.4 | +8.3 |
| New Haven | | | | | | Richmond | | | | | |
| Food..... | 221.7 | 213.2 ^r | 187.3 | +4.0 | +18.4 | Food..... | 252.4 | 246.1 ^r | 224.2 | +2.6 | +12.6 |
| Housing ¹ | 105.3 | 105.3 | 105.3 | 0 | 0 | Housing ¹ | 114.1 | 110.8 | 103.4 | +3.0 | +10.3 |
| Clothing..... | 158.0 | 157.7 ^r | 154.7 | +0.2 | +2.1 | Clothing..... | 158.9 | 158.8 | 151.4 | +0.1 | +5.0 |
| Fuel and light..... | 131.6 | 127.2 ^r | 116.8 | +3.5 | +12.7 | Fuel and light..... | 124.0 | 124.0 | 109.9 | 0 | +12.8 |
| Housefurnishings..... | 148.3 | 147.3 | 138.3 | +0.7 | +7.2 | Housefurnishings..... | 164.8 | 161.9 | 143.2 | +1.8 | +15.1 |
| Sundries..... | 126.1 | 125.6 | 118.9 | +0.4 | +6.1 | Sundries..... | 128.6 | 128.3 | 123.5 | +0.2 | +4.1 |
| Weighted Total..... | 157.5 | 154.1 ^r | 142.4 | +2.2 | +10.6 | Weighted Total..... | 166.7 | 164.1 ^r | 152.3 | +1.6 | +9.5 |
| New Orleans | | | | | | Roanoke, Va. | | | | | |
| Food..... | 226.3 | 221.8 ^r | 203.8 | +2.0 | +11.0 | Food..... | 224.4 | 218.1 | 206.8 | +2.9 | +8.5 |
| Housing ¹ | 118.6 | 118.6 ^r | 110.6 | 0 | +7.2 | Housing ¹ | 132.8 | 132.8 ^r | 123.9 | 0 | +7.2 |
| Clothing..... | 161.6 | 160.0 | 147.3 | +1.0 | +9.7 | Clothing..... | 165.4 | 164.4 | 160.1 | +0.6 | +3.3 |
| Fuel and light..... | 86.6 | 86.6 | 84.5 | 0 | +2.5 | Fuel and light..... | 138.3 | 135.1 | 118.4 | +2.4 | +16.8 |
| Housefurnishings..... | 160.5 | 159.2 | 148.2 | +0.8 | +8.3 | Housefurnishings..... | 157.2 | 155.6 | 143.5 | +1.0 | +9.5 |
| Sundries..... | 134.6 | 133.0 | 125.7 | +1.2 | +7.1 | Sundries..... | 139.2 | 138.8 | 129.2 | +0.3 | +7.7 |
| Weighted Total..... | 168.0 | 165.6 ^r | 153.7 | +1.4 | +9.3 | Weighted Total..... | 166.7 | 164.3 ^r | 154.3 | +1.5 | +8.0 |
| New York | | | | | | Rochester | | | | | |
| Food..... | 207.3 | 205.9 | 184.3 | +0.7 | +12.5 | Food..... | 225.2 | 219.1 | 194.8 | +2.8 | +15.6 |
| Housing ¹ | 103.2 | 101.7 ^r | 100.8 | +1.5 | +2.4 | Housing ¹ | 103.9 | 103.9 | 103.9 | 0 | 0 |
| Clothing..... | 153.4 | 152.8 ^r | 147.5 | +0.4 | +4.0 | Clothing..... | 158.8 | 158.0 ^r | 153.3 | +0.5 | +3.6 |
| Fuel and light..... | 114.3 | 114.3 | 110.6 | 0 | +3.3 | Fuel and light..... | 143.0 | 143.0 | 132.4 | 0 | +8.0 |
| Housefurnishings..... | 155.0 | 154.5 ^r | 148.2 | +0.3 | +4.6 | Housefurnishings..... | 182.0 | 182.2 ^r | 165.0 | -0.1 | +10.3 |
| Sundries..... | 142.5 | 141.0 | 137.8 | +1.1 | +3.4 | Sundries..... | 147.5 | 145.8 ^r | 141.8 | +1.2 | +4.0 |
| Weighted Total..... | 157.6 | 156.4 | 146.7 | +0.8 | +7.4 | Weighted Total..... | 163.1 | 160.8 ^r | 150.5 | +1.4 | +8.4 |
| Omaha | | | | | | Rockford, Ill. | | | | | |
| Food..... | 235.2 | 232.3 | 208.7 | +1.2 | +12.7 | Food..... | 234.5 | 230.7 | 203.6 | +1.6 | +15.2 |
| Housing ¹ | 106.0 | 106.0 ^r | 100.6 | 0 | +5.4 | Housing ¹ | 139.8 | 139.8 | 138.1 | 0 | +1.2 |
| Clothing..... | 155.7 | 154.3 ^r | 147.3 | +0.9 | +5.7 | Clothing..... | 151.5 | 150.7 | 146.0 | +0.5 | +3.8 |
| Fuel and light..... | 132.2 | 129.9 | 115.1 | +1.8 | +14.9 | Fuel and light..... | 136.5 | 134.7 | 119.2 | +1.3 | +14.5 |
| Housefurnishings..... | 172.1 | 170.7 | 162.7 | +0.8 | +5.8 | Housefurnishings..... | 163.7 | 161.4 | 143.1 | +1.4 | +14.4 |
| Sundries..... | 140.1 | 139.8 | 132.7 | +0.2 | +5.6 | Sundries..... | 144.2 | 143.0 | 128.7 | +0.8 | +12.0 |
| Weighted Total..... | 164.1 | 162.8 ^r | 150.5 | +0.8 | +9.0 | Weighted Total..... | 171.9 | 170.1 | 154.8 | +1.1 | +11.0 |
| Philadelphia | | | | | | Sacramento | | | | | |
| Food..... | 203.2 | 200.8 | 182.5 | +1.2 | +11.3 | Food..... | 220.0 | 219.4 ^r | 198.7 | +1.2 | +11.7 |
| Housing ¹ | 105.3 | 104.9 ^r | 102.7 | +0.4 | +2.5 | Housing ¹ | 115.3 | 115.3 | 105.7 | 0 | +9.1 |
| Clothing..... | 148.3 | 147.4 ^r | 148.1 | +0.6 | +0.1 | Clothing..... | 166.5 | 164.3 ^r | 158.2 | +1.3 | +5.2 |
| Fuel and light..... | 133.6 | 133.5 | 123.7 | +0.1 | +8.0 | Fuel and light..... | 77.0 | 77.0 | 76.8 | 0 | +0.3 |
| Housefurnishings..... | 151.6 | 151.3 | 143.8 | +0.2 | +5.4 | Housefurnishings..... | 173.5 | 172.3 ^r | 158.5 | +0.7 | +9.5 |
| Sundries..... | 142.3 | 141.8 | 134.7 | +0.4 | +5.6 | Sundries..... | 136.8 | 136.5 | 129.6 | +0.2 | +5.6 |
| Weighted Total..... | 158.5 | 157.4 ^r | 147.7 | +0.7 | +7.3 | Weighted Total..... | 160.4 | 159.3 | 147.8 | +0.7 | +8.5 |
| Pittsburgh | | | | | | St. Louis | | | | | |
| Food..... | 215.6 | 209.4 | 189.2 | +3.0 | +14.0 | Food..... | 214.2 | 210.1 | 186.9 | +2.0 | +14.6 |
| Housing ¹ | 116.3 | 116.3 ^r | 105.7 | 0 | +10.0 | Housing ¹ | 113.0 | 112.4 ^r | 105.8 | +0.5 | +6.8 |
| Clothing..... | 152.2 | 151.8 ^r | 146.5 | +0.3 | +3.9 | Clothing..... | 150.8 | 149.6 | 144.4 | +0.8 | +4.4 |
| Fuel and light..... | 131.0 | 127.2 | 117.0 | +3.0 | +12.0 | Fuel and light..... | 142.2 | 142.1 | 126.0 | +0.1 | +12.9 |
| Housefurnishings..... | 142.5 | 141.8 | 136.1 | +0.5 | +4.7 | Housefurnishings..... | 158.1 | 154.2 | 140.3 | +2.5 | +12.7 |
| Sundries..... | 144.2 | 143.4 | 132.7 | +0.6 | +8.7 | Sundries..... | 135.0 | 131.2 | 126.8 | +2.9 | +6.5 |
| Weighted Total..... | 162.2 | 159.6 ^r | 146.6 | +1.6 | +10.6 | Weighted Total..... | 160.7 | 157.8 ^r | 145.5 | +1.8 | +10.4 |

¹Rents surveyed quarterly, Dec. 15, March 15, June 15 and Sept. 15.

aLess than 0.1%.

^rRevised.

CONSUMERS' PRICE INDEXES FOR FIFTY-SEVEN CITIES—Continued

Source: THE CONFERENCE BOARD

NOTE: These indexes do NOT show intercity differences in price level or standards of living. They show only changes in consumers' prices in each city, which changes may be compared with those for other cities.

| CITY | Index Numbers Jan., 1939=100 | | | Percentage Changes | | CITY | Index Numbers Jan., 1939=100 | | | Percentage Changes | |
|--------------------------------|---------------------------------|--------------------|-----------|------------------------------|------------------------------|---|---------------------------------|--------------------|-----------|------------------------------|------------------------------|
| | Dec. 1947 | Nov. 1947 | Dec. 1946 | Nov. 1947 to Dec. 1947 | Dec. 1946 to Dec. 1947 | | Dec. 1947 | Nov. 1947 | Dec. 1946 | Nov. 1947 to Dec. 1947 | Dec. 1946 to Dec. 1947 |
| St. Paul | | | | | | Toledo | | | | | |
| Food..... | 227.7 | 221.8 | 206.0 | +2.7 | +10.5 | Food..... | 221.8 | 215.8 | 195.2 | +2.8 | +13.6 |
| Housing ¹ | 104.9 | 104.9 | 100.9 | 0 | +4.0 | Housing ¹ | 113.1 | 113.1 | 113.1 | 0 | 0 |
| Clothing..... | 149.2 | 148.4 | 137.3 | +0.5 | +8.7 | Clothing..... | 152.4 | 152.4 | 152.7 | 0 | -0.2 |
| Fuel and light..... | 131.9 | 127.7 _r | 113.8 | +3.3 | +15.9 | Fuel and light..... | 135.7 | 135.6 | 116.8 | +0.1 | +16.2 |
| Housefurnishings..... | 171.0 | 169.5 | 152.7 | +0.9 | +12.0 | Housefurnishings..... | 144.9 | 144.7 | 140.9 | +0.1 | +2.8 |
| Sundries..... | 140.1 | 139.8 | 131.1 | +0.2 | +6.9 | Sundries..... | 153.1 | 149.8 | 139.0 | +2.2 | +10.1 |
| Weighted Total..... | 161.7 | 159.4 | 148.3 | +1.4 | +9.0 | Weighted Total..... | 165.3 | 162.5 | 151.5 | +1.7 | +9.1 |
| San Francisco - Oakland | | | | | | Wausau, Wis. | | | | | |
| Food..... | 226.6 | 221.2 | 198.1 | +2.4 | +14.4 | Food..... | 233.2 | 222.6 | 201.3 | +4.8 | +15.8 |
| Housing ¹ | 100.9 | 100.9 | 100.9 | 0 | 0 | Housing ¹ | 102.7 | 102.7 | 102.7 | 0 | 0 |
| Clothing..... | 156.8 | 154.5 _r | 148.6 | +1.5 | +5.5 | Clothing..... | 175.6 | 175.4 | 168.4 | +0.1 | +4.3 |
| Fuel and light..... | 90.4 | 90.4 | 88.1 | 0 | +2.6 | Fuel and light..... | 133.7 | 133.2 | 117.4 | +0.4 | +13.9 |
| Housefurnishings..... | 155.5 | 155.0 _r | 142.5 | +0.3 | +9.1 | Housefurnishings..... | 150.4 | 149.5 | 145.8 | +0.6 | +3.2 |
| Sundries..... | 144.5 | 143.9 | 137.7 | +0.4 | +4.9 | Sundries..... | 137.0 | 135.7 | 129.0 | +1.0 | +6.2 |
| Weighted Total..... | 163.2 | 161.0 | 150.4 | +1.4 | +8.5 | Weighted Total..... | 163.5 | 160.0 | 149.4 | +2.2 | +9.4 |
| Seattle | | | | | | Wilmington, Del. | | | | | |
| Food..... | 222.2 | 216.6 | 204.0 | +2.6 | +8.9 | Food..... | 203.1 | 197.4 | 182.5 | +2.9 | +11.3 |
| Housing ¹ | 115.6 | 111.4 _r | 106.5 | +3.8 | +8.5 | Housing ¹ | 108.5 | 108.5 _r | 104.9 | 0 | +3.4 |
| Clothing..... | 148.5 | 146.8 | 143.6 | +1.2 | +3.4 | Clothing..... | 163.0 | 162.5 | 151.4 | +0.3 | +7.7 |
| Fuel and light..... | 126.6 | 125.2 | 116.0 | +1.1 | +9.1 | Fuel and light..... | 118.2 | 118.2 | 112.6 | 0 | +5.0 |
| Housefurnishings..... | 161.8 | 160.9 | 144.4 | +0.6 | +12.0 | Housefurnishings..... | 164.9 | 161.8 | 148.8 | +1.9 | +10.8 |
| Sundries..... | 139.6 | 139.3 | 132.8 | +0.2 | +5.1 | Sundries..... | 128.7 | 128.6 | 124.2 | +0.1 | +3.6 |
| Weighted Total..... | 163.0 | 160.1 | 151.8 | +1.8 | +7.4 | Weighted Total..... | 157.0 | 154.8 _r | 145.5 | +1.4 | +7.9 |
| Spokane | | | | | | Youngstown | | | | | |
| Food..... | 215.3 | 208.6 | 194.8 | +3.2 | +10.5 | Food..... | 224.5 | 219.4 | 202.8 | +2.3 | +10.7 |
| Housing ¹ | 104.0 | 104.0 | 102.0 | 0 | +2.0 | Housing ¹ | 106.7 | 106.7 | 105.6 | 0 | +1.0 |
| Clothing..... | 146.6 | 145.2 | 139.4 | +1.0 | +5.2 | Clothing..... | 170.1 | 168.7 | 158.3 | +0.8 | +7.5 |
| Fuel and light..... | 144.1 | 144.1 | 137.3 | 0 | +5.0 | Fuel and light..... | 130.8 | 126.5 | 113.2 | +3.4 | +15.5 |
| Housefurnishings..... | 146.3 | 146.3 | 138.6 | 0 | +5.6 | Housefurnishings..... | 160.6 | 159.8 | 151.0 | +0.5 | +6.4 |
| Sundries..... | 136.1 | 135.6 | 130.8 | +0.4 | +4.1 | Sundries..... | 135.7 | 134.0 | 123.4 | +1.3 | +10.0 |
| Weighted Total..... | 158.4 | 156.1 | 148.4 | +1.5 | +6.7 | Weighted Total..... | 162.3 | 159.7 | 149.0 | +1.6 | +8.9 |
| Syracuse | | | | | | Rents surveyed quarterly, Dec. 15, March 15, June 15 and Sept. 15. _r Revised. | | | | | |
| Food..... | 221.0 | 214.2 | 191.8 | +3.2 | +15.2 | | | | | | |
| Housing ¹ | 116.7 | 116.7 _r | 116.3 | 0 | +0.3 | | | | | | |
| Clothing..... | 155.9 | 155.5 _r | 150.7 | +0.3 | +3.5 | | | | | | |
| Fuel and light..... | 138.5 | 138.3 | 132.1 | +0.1 | +4.8 | | | | | | |
| Housefurnishings..... | 161.4 | 160.9 | 150.3 | +0.3 | +7.4 | | | | | | |
| Sundries..... | 135.1 | 132.6 | 123.3 | +1.9 | +9.6 | | | | | | |
| Weighted Total..... | 159.8 | 157.1 _r | 146.4 | +1.7 | +9.2 | | | | | | |

PERCENTAGE CHANGES IN INDEXES FOR FIVE CITIES

| | Weighted Total | | Food | | Housing ¹ | | Clothing | | Fuel and Light | | Housefurnishings | | Sundries | |
|---------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | Nov. 1947 to Dec. 1947 | Dec. 1946 to Dec. 1947 | Nov. 1947 to Dec. 1947 | Dec. 1946 to Dec. 1947 | Nov. 1947 to Dec. 1947 | Dec. 1946 to Dec. 1947 | Nov. 1947 to Dec. 1947 | Dec. 1946 to Dec. 1947 | Nov. 1947 to Dec. 1947 | Dec. 1946 to Dec. 1947 | Nov. 1947 to Dec. 1947 | Dec. 1946 to Dec. 1947 | Nov. 1947 to Dec. 1947 | Dec. 1946 to Dec. 1947 |
| Bellefonte, Pa..... | +1.1 | +9.0 | +2.1 | +10.3 | 0 | +12.9 | +1.7 | +6.8 | 0 | +10.0 | +0.4 | +11.8 | +0.5 | +5.4 |
| Evansville, Ind..... | +1.5 | +8.0 | +2.6 | +14.2 | +1.5 | +2.2 | +0.1 | -1.5 | 0 | +11.3 | +0.2 | +9.0 | +1.2 | +5.2 |
| International Falls, Minn.. | +1.3 | +10.7 | +2.8 | +13.7 | 0 | +12.4 | -0.1 | +5.4 | 0 | +15.6 | +1.0 | +4.7 | +0.8 | +8.7 |
| Joliet, Ill. ² | +1.5 | +11.2 | +1.0 | +16.0 | +2.5 | +2.5 | +0.9 | +5.3 | 0 | +16.1 | +1.0 | +7.8 | +2.3 | +10.4 |
| Trenton, N. J..... | +0.6 | +6.1 | +1.0 | +8.4 | 0 | +1.4 | +0.1 | -0.7 | +1.4 | +6.8 | +0.8 | -3.1 | +0.2 | +9.4 |

¹Rents surveyed quarterly: Dec. 15, March 15, June 14 and Sept. 15.

²Includes Lockport and Rockdale.

_rRevised

Wage Increase Announcements, January, 1948

| Company | Type of Worker ¹ | Increase | | | Previous Rate or Range | | Remarks |
|--|-----------------------------|--------------------------------------|--------------------|-----------------|----------------------------|----------------|---|
| | | Amount | Date Effective | Number Affected | Rate | Effective | |
| American Bakeries Company..... Birmingham, Ala. | WE | \$.07 hr. | 1-1-48 | 350 | \$.76 hr. average | 1-1-47 | (United Retail, Wholesale & Department Store Employees, CIO) Previous rates (base): Male, 86¢ hr.; female, 76¢ hr. (Int. Assn. Machinists) Plants located in Cleveland, Lorain and Toledo, Ohio; Chicago, Ill.; and Buffalo, N. Y. (Various AFL unions for wage earners; no union for salaried employees.) Plants affected: Willimantic Mills, Willimantic, Conn.; Hampton Yarn Division, Easthampton, Mass.; Kerr Mills, Fall River, Mass.; Merrick Mills, Holyoke, Mass. Additional paid holiday (Washington's Birthday) bringing total to 6. Increased medical and accident benefits not to exceed \$150 maximum. Wage increases granted since 1942 totaling 43½¢, to be incorporated into piece-rate structure. (Textile Workers, CIO) |
| American Can Company..... Kansas City, Mo. | WE | \$.15 hr. | 10-27-47 | 225 | See remarks | 3-4-46 | |
| The American Ship Building Company..... | WE S | \$.12 hr. 10% approx. | 8-25-47 6-30-47 | 1,000 150 | n.a. n.a. | n.a. n.a. | |
| The American Thread Company..... | WE | 10% | 1-5-48 | 4,141 | \$.88 hr. | 8-1-47 | Plants affected: Willimantic Mills, Willimantic, Conn.; Hampton Yarn Division, Easthampton, Mass.; Kerr Mills, Fall River, Mass.; Merrick Mills, Holyoke, Mass. Additional paid holiday (Washington's Birthday) bringing total to 6. Increased medical and accident benefits not to exceed \$150 maximum. Wage increases granted since 1942 totaling 43½¢, to be incorporated into piece-rate structure. (Textile Workers, CIO) |
| Angier Corporation..... Framingham, Mass. | WE | \$.07½ hr. | 11-47 | 65 | n.a. | n.a. | (United Paperworkers, CIO) |
| Archer-Daniels-Midland Company.... Chicago, Ill. | WE | \$.12 hr. | 1-12-48 | 134 | \$1.11 to \$1.35 hr. | 1-13-47 | (United Mine Workers, Dist. 50) |
| The Baltic Mills Company..... Baltic, Conn. | WE S | 10% 10% | 1-5-48 1-5-48 | 418 12 | \$.8805 min. n.a. | 8-4-47 n.a. | Six paid holidays. Vacation pay for 5 years' service, 4% of yearly earnings; for 3 to 5 years', 3% of earnings; for 3 months to 3 years, 2% of earnings. Insurance: Life, \$1,000; accidental death, \$1,000 extra; weekly sick benefit, \$17.50; hospital, \$7.00 daily; surgical, up to \$150. Present average hourly rate, \$1.2776, with majority employees working 45 hours. (United Textile Workers, AFL—no union for salaried employees) |
| Bates Manufacturing Company..... Lewiston, Me. | WE S | 10% 10% | 1-5-48 1-5-48 | 7,300 500 | See remarks See remarks | n.a. n.a. | Previous increase: 5¢ hr. effective 8-5-47. One additional paid holiday, making total of 6. Payment of doctors' bills when employee is disabled—\$2 for office visit, \$3 for house visit, payments to start on 1st visit in case of accident and 2nd visit for illness. (Textile Workers Union, CIO—no union for salaried employees) |
| Bemis Bro. Bag Company..... Talladega, Ala. | WE | 9% | 11-23-47 | 950 | n.a. | n.a. | Six paid holidays. (United Textile Workers, AFL) |
| *Brass Rail Restaurant Company..... Pittsburgh, Pa. | WE | See remarks | n.a. | n.a. | n.a. | n.a. | Increases ranged from 3¢ hr. for waitresses to 10¢ hr. for no. 1 countermen. Announced 1-4-48. (Hotel & Restaurant Employees' Alliance, AFL) |
| The Buffalo Evening News..... Buffalo, N. Y. | S WE | 10% \$.18 hr. | 11-19-47 2-2-48 | 150 30 | n.a. \$1.27 hr. | n.a. n.a. | (American Newspaper Guild, CIO) Truck drivers. (Int. Bro. Teamsters) |
| *Building service employees..... Pittsburgh, Pa. | WE | \$14 mo. | 12-1-47 | 50 | n.a. | n.a. | Employed by the Dithridge and Morrowfield Apartments. (Building Service Workers, AFL) |
| *Carpenters..... Lewis County, Wash. | WE | \$.25 hr. | 3-1-48 | n.a. | \$1.75 hr. | n.a. | (Lewis County Carpenters) |
| Cluett, Peabody & Company..... North Grosvenordale, Conn. | WE | 10% | 1-5-48 | 1,025 | \$.88 hr. min. | 8-1-47 | Additional time-and-one-half holiday, making 3 such days plus 6 paid holidays. Increased insurance benefits to provide for payment of medical visits to doctor's office or to patient's home. (Textile Workers' Union, CIO) |
| Columbia Broadcasting System..... New York, N. Y. | S | \$6 wk. | 12-1-47 | 700 | n.a. | n.a. | Increase given to employees on payroll prior to 10-1-47. (Radio Guild, UOPWA) |
| Congoleum-Nairn, Inc..... Kearny, N. J. | WE S | \$.10 hr. 7% approx. | 12-1-47 12-1-47 | 3,200 700 | n.a. n.a. | n.a. n.a. | (One plant, United Rubber, Cork, Linoleum & Plastic Workers, CIO; 2 plants, United Mine Workers, Dist. 50; 1 plant, no union; salaried workers, no union) |
| Corning Glass Works..... Charleroi, Pa. | WE | \$15 min. \$.25 max. \$.08 hr. | 1-16-48 | 1,550 | n.a. | n.a. | Increase retroactive on a straight and overtime premium hour basis to 10-28-47. Double time now paid for Christmas and New Year's Day, if holidays are worked. (Glass, Ceramic & Silica Sand Workers, CIO) |
| The Davison Chemical Corporation... Nashville, Tenn. | WE | \$.08 hr. | 12-7-47 | 206 | \$.72 hr. | 10-7-46 | (United Chemical Workers) |
| W. S. Dickey Clay Manufacturing Co. Pittsburg, Kansas; Deepwater, Mo. | WE | \$.07 hr. \$.03 hr. | 5-1-47 2-1-48 | 260 | See remarks | 12-29-46 | Previous rates: 82¢ hr. Dpw., 86¢ hr. Pbg. (Int. Union Mine, Mill & Smelter Workers, CIO) |
| E. I. du Pont de Nemours & Company. Belle, W. Va. | WE | \$.10 hr. | 12-29-47 | 3,800 | n.a. | n.a. | Plus adjustment of 2¢ hr. to first-class operators and 1¢ hr. to second-class operators. (Dist. 50, United Mine Workers) |

WAGE INCREASE ANNOUNCEMENTS, JANUARY, 1948—Continued

| Company | Type of Worker ¹ | Increase | | | Previous Rate or Range | | Remarks |
|--|-----------------------------|------------------------|----------------|-----------------|-----------------------------|-----------|---|
| | | Amount | Date Effective | Number Affected | Rate | Effective | |
| E. I. du Pont de Nemours & Company, Seneca, Ill. | WE | \$.08 hr. | 11-3-47 | 300 | n.a. | n.a. | (Int. Chemical Workers, AFL) |
| Electric Boat Company, Groton, Conn. | WE | See remarks | 10-1-47 | 1,402 | See remarks | 5-13-46 | All wage earners except draftsmen were given a new wage schedule consisting of an over-all increase of 9¢ hr. for government work, 20¢ hr. for commercial work, and 15¢ hr. for printing press work. Service employees received 9¢ increase over and above present rate. Previous rates for first-class mechanic: government rate, \$1.38; commercial, \$1.20; service, \$1.31. (Metal Trades Council, AFL) |
| | S | \$4 to \$5 wk. average | 1-1-48 | 180 | n.a. | 11-4-43 | (No union) |
| Electric Hose & Rubber Company, Wilmington, Del. | WE | \$.086 hr. | 11-16-47 | 876 | \$1.182 average | 11-16-46 | (United Rubber Workers, CIO) |
| Electro Metallurgical Company, Niagara Falls, N. Y. | WE | \$.08 hr. | 10-13-47 | 2,300 | n.a. | 3-15-47 | (United Gas, Coke & Chemical Workers, CIO) |
| General Abrasive Company, Niagara Falls, N. Y. | S | 7% | 12-1-47 | 400 | n.a. | 5-1-47 | (No union) |
| | WE | \$.07 hr. | 11-2-47 | 180 | \$1.07 to \$1.55 hr. | 4-13-47 | Benefits for 6 holidays changed from time and one half for holidays worked with no pay for holidays not worked to double time for holidays worked and straight time for holidays not worked. Three weeks' vacation after 15 years' service instead of 25 years. Effective 12-30-47 group insurance plan broadened. (United Gas, Coke & Chemical Workers, CIO) |
| | S | \$7.00 wk | 1-4-48 | 6 | \$79 to \$114 wk | 6-8-47 | Foremen. (No union) |
| | S | \$4.00 wk | 12-7-47 | 9 | \$44 to \$52 wk | 5-29-47 | Office workers (No union) |
| Gilbert Paper Company, Menasha, Wis. | WE | \$.05 hr. | 12-1-47 | 344 | \$.93 (male) \$.81 (female) | 6-1-47 | Employees will be paid for 3 holidays not worked: July 4, Labor Day and Dec. 25. (Int. Bro. Papermakers, AFL) |
| Hercules Powder Company, Kalamazoo, Mich. | WE | \$.05 hr. | 12-1-47 | 39 | \$1.115 hr. | 6-2-47 | (United Gas, Coke & Chemical Workers) |
| *Hospital, hotel and laundry workers, Rochester, Minn. | WE | 7% | n.a. | 600 | n.a. | n.a. | New agreement announced 1-30-48. (United Public Workers, CIO) |
| Ingalls Shipbuilding Corporation, Pascagoula, Miss. | WE | \$.12 hr. | 1-19-48 | 3,400 | See remarks | 12-45 | Mechanics' previous base rate: \$1.38. (Metal Trades, AFL) |
| International Shoe Company, Malvern, Ark. | S | \$20 mo. | 11-15-47 | 250 | n.a. | n.a. | (Office Employees, AFL) |
| | WE | 9% approx. | 11-10-47 | 299 | See remarks | 2-10-47 | Previous hourly rates: apprentices, \$.575 to \$.75; piece workers (average), \$.893; assistant foremen, \$1.26; other hourly rated employees, \$.775 to \$1.185. (United Textile Workers AFL). [Rate changes to four salaried employees were made to correspond with wage earners' increase. Twelve other salaried employees were increased 12-1-47 by variable amounts.] |
| International Textbook Company, Scranton, Pa. | WE | \$.10 hr. | 8-3-47 | 580 | See remarks | 7-46 | Present base rate for inexperienced beginning clerks is now \$.60 hr. with a range extending to \$1.10 hr. (United Construction Workers) |
| Julius Kayser & Company | WE | 5% | 12-1-47 | 800 | n.a. | n.a. | Plants located at Lehighton and Nazareth, Pa., and Walton, N. Y. (Int. Ladies' Garment Workers) |
| Kraft Foods Company | WE | \$.20 hr. | 1-7-48 | 1,000 | \$1.13 to \$1.37 hr. | 11-1-46 | Process plants located in Green Bay and Plymouth, Wisc., and Freeport, Ill. (Int. Bro. Teamsters) |
| | WE | \$.18 hr. | 1-7-48 | 270 | \$.80 to \$1.05 hr. | 9-2-46 | Wisconsin Milk Plants. (Int. Bro. of Teamsters, CIO) |
| Kroehler Manufacturing Company | WE | \$.10 hr. | 1-2-48 | 3,592 | \$1.31 hr. | n.a. | Also, 1 week's vacation for employees with 6 months' service. Plants located at Inglewood, Calif.; Bradley, Kankakee and Naperville, Ill.; Binghamton, N. Y.; Cleveland, Ohio; and Dallas, Tex. (Upholsterers Int. Union, AFL; no union for salaried employees) |
| | S | 10% approx. | 1-2-48 | 443 | n.a. | n.a. | Ludlow, Mass., plant. (Textile Workers' Union) |
| Ludlow Manufacturing Company | WE | \$.05 hr. | 12-15-47 | 800 | n.a. | n.a. | Allentown and Edge Moor Mills. Five paid holidays provided for in all three plants. |
| | WE | \$.10 hr. | 1-5-48 | n.a. | n.a. | n.a. | Contract signed 1-23-48. Employers represented by Lumbermen's Industrial Relations Committee and the Plywood and Door Manufacturers' Industrial Committee. (Puget Sound, Coast Columbia, Willamette Valley and Vancouver, Wash. Councils, AFL) |
| *Lumber and sawmills, Pacific Northwest | WE | \$.07½ hr. | n.a. | 40,800 | \$1.32½ to \$1.66 hr. | n.a. | (AFL union affiliation; no union for salaried employees) |
| Morris Paper Mills, Morris, Ill. | WE | \$.10 hr. | 7-1-47 | 668 | \$.87½ hr. | 1-1-47 | Previous wage increase: 10¢. (Int. Bro. Paper Makers; Int. Bro. Pulp, Sulphite and Paper Mill Workers) |
| Mosinee Paper Mills Company, Mosinee, Wisc. | S | Various | 7-1-47 | 84 | n.a. | n.a. | |
| | WE | \$.02 hr. | 12-1-47 | 490 | See remarks | 6-1-47 | |
| | | \$.03 hr. | 1-1-48 | | | | |

WAGE INCREASE ANNOUNCEMENTS, JANUARY, 1948—Continued

| Company | Type of Worker ¹ | Increase | | | Previous Rate of Range | | Remarks |
|---|-----------------------------|--|--------------------------------|-----------------|------------------------|-----------|--|
| | | Amount | Date Effective | Number Affected | Rate | Effective | |
| National Carbon Company..... Niagara Falls, N. Y. | WE | See remarks | 10-7-47 | 900 | n.a. | 3-15-47 | Increase of 7¢ hr. to hourly rated employees; 4.61¢ increase in all piece rates. (United Chemical Workers, CIO) |
| Niagara Alkali Company..... Niagara Falls, N. Y. | WE | \$1.10 hr. | 11-30-47 | 305 | \$1.41 1/2 hr. average | 5-10-47 | (United Gas, Coke & Chemical Workers, CIO) |
| Pan American Airways, Inc..... New York, N. Y. | WE | \$1.12 hr. | 1-1-48 | 5,000 | n.a. | n.a. | (Transport Workers Union, CIO) |
| Pan American Refining Corporation... Texas City, Tex. | WE | See remarks | 1-11-48 | 1,400 | \$1.885 to \$1.815 hr. | 2-18-46 | 25¢ added to base rates, plus 9¢ cost of living allowance. On March 15, 1947, a 22¢ cost of living allowance became effective and continued through December 31, 1947. (Oil Workers Int. Union, CIO) |
| Pepperell Manufacturing Company... Lewiston, Me. | WE | 10% | 1-5-48 | 1,190 | \$1.88 hr. min. | 8-5-47 | Additional insurance given to provide for medical benefits, with maximum coverage of \$150, subject to the provisions of the contract. One additional paid holiday and make-up pay for employees called for jury duty. (Textile Workers Union, CIO for wage earners; no union for salaried employees.) |
| | S | 10% | 1-5-48 | 105 | \$1.88 hr. min. | 8-5-47 | |
| Philadelphia Suburban Transportation Company..... Upper Darby, Pa. | WE | \$1.10 hr. | 1-1-48 | 500 | n.a. | n.a. | Accident and health benefits increased from \$100 to \$150 mo. Three weeks' vacation paid for employees with 20 years' continuous service. (Bro. R. R. Trainmen; Bro. R. R. Shop Crafts; no union for salaried employees) |
| | S | 7.8% | 1-1-48 | 100 | n.a. | n.a. | |
| Ponemah Mills..... Taftville, Conn. | WE | 10% | 1-5-48 | 1,200 | n.a. | n.a. | 1 additional holiday with pay, making a total of 6. \$150 medical benefits added. (Textile Workers' Union, CIO) |
| Powdrell & Alexander, Inc..... Danielson, Conn. | WE | 10% | 1-5-48 | 1,100 | \$1.88 hr. min. | 8-1-47 | 1 additional holiday with pay, making a total of 6. Inclusion of medical benefits in health and hospitalization plan. (Textile Workers, CIO; no union for salaried employees) |
| | S | 10% | 1-5-48 | 200 | \$1.88 hr. min. | 8-1-47 | |
| *Printers..... Washington, D. C. | WE | \$8 wk. | 11-11-47 | n.a. | See remarks | n.a. | Increase affects printers employed by Washington's 4 daily newspapers. Previous rate was \$77 for 35-hr. wk. on day shift, with a \$5 and \$10 differential for the 2nd and 3rd shift, respectively. (Columbia Typo. Union). |
| *Publishers Assn. of New York..... New York, N. Y. | WE | \$13 wk. | n.a. | 1,900 | See remarks | n.a. | Announced January 9. Previous rates for journeymen pressmen: \$71.50 for day work of 36 1/2 hrs., \$75 for night work of 33 1/2 hrs. New contract also provides 3rd week of vacation and holiday overtime at triple time. (Int. Printing Pressmen and Assistants, AFL) |
| *Retail clerks..... Pittsburgh, Pa. | WE | \$3.50 to \$6.00 wk. | 11-1-47 | 2,000 | n.a. | n.a. | Employees of Kauffmann's, Frank & Seder, and Rosenbaum's. New raise makes total of \$12.25 increase over last two years. (United Dept. Store Employees, CIO) |
| Rex Hide, Inc..... East Brady, Pa. | WE | \$1.08 hr. | 12-1-47 | 200 | \$1.02 min. | 4-1-47 | (Rubber Workers of America, CIO) |
| Richardson Scale Company..... Clifton, N. J. | WE | \$1.11 hr. | 11-1-47 | 180 | n.a. | n.a. | Eight paid holidays in place of six. (Int. Assn. Machinists represent wage earners; no union for salaried employees) |
| | S | \$1.05 hr. | 2-1-48 | 50 | n.a. | n.a. | |
| Saco-Lowell Shops..... Biddeford, Me. | WE | 5%—10% 10% | 11-1-48 1-5-48 | 4,300 | See remarks | n.a. | \$1.00 hr. minimum wage, except learners and handicapped persons. Sixth paid holiday; additional group insurance. (Textile Workers Union, CIO) |
| Safeway Stores..... Ft. Worth, Tex. | WE | \$5 wk. | 12-15-47 | 64 | See remarks | 1-13-47 | Previous rates: Beginning clerk, \$32.50 wk.; fully experienced (4 yrs.) \$52.50. (Retail Clerks Int. Protective Assn. AFL) |
| The Schnabel Company..... Pittsburgh, Pa. | WE | \$1.20 hr. | 11-24-47 | 190 | See remarks | 7-29-46 | Previous rate for 1st class mechanic, \$1.30 hr. Group leaders and specialists rated above 1st class mechanics; 2nd and 3rd class and helper classifications proportionately lower. (Int. Assn. Machinists) |
| Shell Oil Company..... San Francisco, Calif. | WE | \$1.048 hr. | 10-1-47 | 3,100 | n.a. | n.a. | An additional 10¢ hr. added to base pay on 12-16-47. This amount was previously paid as a cost of living bonus and originally went into effect 2-16-47. (Oil Workers Int. Union) |
| | | \$1.025 hr. | 12-16-47 | | | | |
| | | \$1.025 hr. | 1-16-48 | | | | |
| | S | \$8.30 mo. \$4.35 mo. \$4.35 mo. | 10-1-47 12-16-47 1-16-48 | 175 | n.a. | n.a. | |
| The Smith Agricultural Chemical Company..... Columbus, Ohio | WE | \$1.05 hr. | 11-1-47 | 90 | \$1.85 to \$1.00 hr. | 1-17-47 | (No union) |
| | S | 5% | 1-1-48 | 40 | n.a. | n.a. | |
| Southern Alkali Corporation..... Corpus Christi, Tex. | WE | 6% | 12-1-47 | 485 | n.a. | 2-3-47 | 6% cost of living bonus (max.) added. Six paid holidays. Jury service extended from 7 days to unlimited time. (CIO affiliation) |
| Southern Dairies, Inc..... West Palm Beach, Fla. | WE | \$1.07 1/2 hr. | 12-18-47 | 50 | \$1.75 hr. average | 12-18-46 | One additional paid holiday. (Int. Bro. Teamsters) |

WAGE INCREASE ANNOUNCEMENTS, JANUARY, 1948—Continued

| Company | Type of Worker ¹ | Increase | | | Previous Rate or Range | | Remarks |
|---|-----------------------------|-------------|----------------|-----------------|-------------------------|-----------|--|
| | | Amount | Date Effective | Number Affected | Rate | Effective | |
| Standard Oil Company of Calif..... | WE | \$10 hr. | 1-16-48 | 16,000 | n.a. | 10-1-47 | (Oil Workers Int. Union, CIO; Ind. Union of Petroleum Workers; Petroleum Workers Union; Misc. Craft Unions, AFL) |
| Calif. Research Corp..... | S | 6% approx. | 1-1-48 | 3,500 | n.a. | n.a. | |
| Oronite Chemical Company San Francisco, Calif. | | | | | | | |
| Stanolind Pipe Line Company..... | WE | \$15 hr. | 10-1-47 | 993 | n.a. | n.a. | Plus 10¢ cost of living allowance. Vacation policy amended on 1-1-48 to provide for 1 week's vacation after 1 year's service, 2 weeks' after 2 years, 3 weeks after 15 years and 4 weeks after 25 years. |
| Tulsa, Okla. | S | 10% | 10-1-47 | 361 | n.a. | n.a. | |
| *Stove Manufacturers Protective and Development Assn..... | WE | \$10 hr. | n.a. | 15,000 | n.a. | n.a. | Plus 8% cost of living allowance. (Oil Workers Int. Union, CIO, represents 333 wage earners; no union for salaried employees) |
| Sun Chemical Company, Warwick Wax Division..... | WE | \$10 hr. | 11-23-47 | n.a. | n.a. | n.a. | Announced January 6. Also 6 paid holidays. (Molders & Foundry Workers, AFL) |
| Chanute, Kans. | | | | | | | |
| Tennessee Corporation..... | WE | \$07 hr. | 12-1-47 | 150 | \$70 hr. min. | 4-1-47 | Two additional paid holidays provided for wage earners; increased vacation privileges in some categories. (United Gas, Coke & Chemical Workers, CIO; no union for salaried employees) |
| East Point, Ga. | S | 10% approx. | 1-1-48 | 25 | n.a. | 1-1-47 | |
| Transcontinental & Western Air, Inc. Kansas City, Mo. | WE | \$16 hr. | 12-15-47 | 49 | n.a. | n.a. | Increase given to guard personnel. Also additional paid holiday—Washington's Birthday—making a total of 7. (Int. Assn. Machinists) |
| *Tug boat workers..... | WE | \$10 hr. | n.a. | 3,500 | n.a. | n.a. | Settlement announced 1-2-48. (Union not given) |
| New York Harbor | | | | | | | |
| *Typographical workers..... | WE | \$22 hr. | n.a. | n.a. | See remarks | n.a. | Increase affects printers employed by <i>The Baltimore Sunpapers</i> , <i>The News-Post</i> , <i>The Sunday American</i> and <i>The Daily Record</i> . Announced January 31. Previous rates: \$2.05 hr. for day work, \$2.18 hr. for night work, and \$2.32 hr. for 3rd shift. (Int. Typo. Union, AFL) |
| Baltimore, Md. | | | | | | | |
| *Typographical workers..... | WE | \$13.25 wk. | n.a. | n.a. | See remarks | n.a. | Increase given to employees of the <i>Hearst Times</i> and <i>The Seattle Post-Intelligencer</i> . New agreement announced January 27. Previous rates: \$76.75 wk. for day work and \$81.75 wk. for night work, 35 hr. wk. (Int. Typo. Union, AFL) |
| Seattle, Wash. | | | | | | | |
| United Air Lines..... | WE | See remarks | 1-1-48 | 2,400 | n.a. | 1-1-47 | Not a blanket increase—different classifications adjusted in varying amounts, resulting in increased payroll costs of 8%. (Int. Assn. Machinists) |
| Chicago, Ill. | S | See remarks | 11-1-47 | 5,500 | n.a. | n.a. | |
| *United Press Association..... | WE | \$9 wk. | n.a. | n.a. | \$73.50 wk. | n.a. | Increases granted on individual basis to clerical workers and agent personnel earning less than \$400 mo., resulting in increased payroll costs of 7%. (No union) |
| New York, N. Y. | | | | | | | |
| Valspar Corporation..... | WE | 7½% | 12-17-47 | 190 | n.a. | 3-16-47 | 5% differential for night work. (Commercial Telegraphers' Union) |
| New York, N. Y. | S | 5% | 11-3-47 | 28 | n.a. | 6-2-47 | |
| | S | 5% | 11-1-47 | 14 | n.a. | 5-15-47 | |
| | S | 5% | 12-15-47 | 14 | n.a. | 12-15-46 | |
| | S | 10% | 12-15-47 | 30 | n.a. | 12-15-46 | |
| | S | 5% | 11-3-47 | 15 | n.a. | 6-2-47 | |
| Whiting-Plover Paper Company..... | WE | \$05 hr. | 12-1-47 | 225 | \$93 hr. | 5-1-47 | (Int. Bro. Paper Makers, AFL) |
| Stevens Point, Wisc. | S | \$05 hr. | 12-1-47 | 50 | n.a. | n.a. | (No union) |
| *Window cleaners..... | WE | \$15 hr. | 1-1-48 | n.a. | \$1.50 hr. | n.a. | A 25¢ hr. increase for scaffold work; previous rate for this class, \$1.65 hr. Four paid holidays. (Building Service Employees, AFL) |
| Seattle, Wash. | | | | | | | (Int. Bro. Electrical Workers, AFL) |
| Wisconsin Gas & Electric Company... | WE | 10% | 1-1-48 | 164 | \$903 to \$1,769 hr. | 1-1-47 | (United Mine Workers, Dist. 50) |
| | WE | 10% | 1-1-48 | 234 | \$903 to \$1,532 hr. | 1-1-47 | |
| | S | 10% | 1-1-48 | 279 | \$99.25 to \$355.25 mo. | 1-1-47 | |
| Wyandotte Worsted Company..... | WE | \$15 hr. | 2-1-48 | 1,000 | \$90 hr. min. | n.a. | (Public Service Employees Union, CIO). Hourly paid employees receive 6 paid holidays at straight time if not worked and double time if worked, instead of time and one half. Unused portion of 5-day annual sick leave may be accumulated to 25 days instead of 20. Branches affected located at Burlington, Cudahy, Fort Atkinson, Kenosha, Racine, Watertown, Waukesha, West Bend, and Whitewater, Wisc. |
| Waterville, Me. and Pittsfield, Mass. | | | | | | | New contract provides for \$25 Christmas bonus, 6 paid holidays, improved vacation, insurance and hospitalization benefits. (Textile Workers Union, CIO) |

¹Type of workers: WE, wage earners; S, salaried employees.

*Obtained from press reports. Information not verified by company.

n.a. Not available.